

Saturday July 6 1996

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Not just a pretty face...

Damon Albarn on poetry (and Oasis)



Outlook page 17

John Mortimer on global warming

Siestas in Swindon

Outlook front

Exclusive Christiane Amanpour interview

The million dollar woman



Outlook page 15

Smear campaign sparks safety fears over Dalai Lama's UK visit

Madeleine Bunting Religious Affairs Editor

MEMBERS of a British-based Buddhist sect are behind an aggressive international smear campaign to undermine the Dalai Lama...

ation called the Shugden Supporters Community, based in Pocklington, Yorkshire...

abroad. Membership is put at about 3,000. The founder of the NKT is a Tibetan monk, Geshe Kelsang...

a significant proportion of the 300-odd residents of their centres claim housing benefit of up to £50 a week...

At a demonstration last month outside the Office of Tibet in London, hundreds chanted anti-Dalai Lama slogans...

the SSC has yet to substantiate its allegations. At disputes between Kelsang and the Dalai Lama...

SSC has launched a letter-writing campaign to the Home Secretary asking for the Dalai Lama's visit to be stopped...

rectly into Chinese hands. As a Nobel Peace Prize winner, the Dalai Lama has had enormous success in raising the profile of the cause...

Clarke kills tax cut hopes

Larry Elliott and Michael White

CHANCELLOR Kenneth Clarke will snuff out Conservative hopes of big pre-election tax cuts...

cost of the interest that has to be paid to service public borrowing and disappointed at the failure of the Private Finance Initiative...

In a message that is certain to alarm Conservative right-wingers, the Treasury admits privately that its old models for calculating tax receipts have 'gone wrong'...

Before next week's Commons summer debate on the economy, Mr Clarke is expected on Tuesday to scale down his growth projections...

Opinions expressed by officials include the growth of the black economy following the decision to increase the VAT rate to 17.5 per cent...

Mr Brown said last night: 'The Chancellor has already admitted that he made a mistake in last year's Budget. There is a hole in the public finances. He now needs to tell us how large the hole is, why it has occurred and what action he proposes to rectify the problem.'

Clarke labels Brown's plans incompetent, page 4; Brown's admission on windfall tax, and Notebook, page 22

the crowd will mass on Brixton Station Road waiting for a glimpse of the man who changed the world. Stalls will dot the sidewalk...



The scene yesterday in Electric Avenue, Brixton, where Nelson Mandela will end his state visit next Friday after a week of pomp and ceremony

Mandela bridges divide between royalty and Railton Road

Sharrath Nicol

WELL fed on Her Majesty's breakfast, Nelson Mandela will say farewell to the Queen next Friday and join Prince Charles for a trip across the Thames...

the crowd will mass on Brixton Station Road waiting for a glimpse of the man who changed the world. Stalls will dot the sidewalk...

Mandela arrives on Monday for the first state visit by a South African president. The Queen, still enchanted by her visit to the Rainbow Nation 18 months ago...

whom suffering did not deter his commitment. Others were not. 'I wouldn't break my neck to see him,' said Frank Henry...

Some thought the visit was encouraging. 'What he says to me is that if you feel your point is right then keep going to the bitter end,' said Clive Gordon...

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Holiday chaos looms as BA pilots threaten indefinite strike

Seamus Milne Labour Editor

ALL British Airways planes could be grounded indefinitely from July 15 after the pilots' union said yesterday that it would strike unless the company shifted its position in a dispute over flight crew pay...

page - common in the 1970s, but virtually unheard of today - would be likely to ground the bulk of BA's 525 daily flights...

But BA said last night that it had made a revised offer self-funding - which had not been put to the pilots...

This new offer was constructed after listening to our pilots. We are ready to talk. Turn to page 3, column 4

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Money Guardian 19-21

Abbey National advertisement with logo and text: Abbey National's Millennium Bond offers you a fixed return which rises every 6 months...



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In rehearsal for tonight's Wembley concert, the three tenors Luciano Pavarotti (top), Plácido Domingo (left) and José Carreras

### Three tenors for the price of 1½

**Alex Bellis**  
THE recent British affliction of swaths of empty seats at its proudest sporting arenas looks set to continue tonight for the Three Tenors concert at Wembley stadium.  
Four thousand tickets are still unsold for the British leg of the international tour by Luciano Pavarotti, Plácido Domingo and José Carreras, which was expected to be sold out weeks ago.  
John Major and his wife, Norma, are two of the 52,000 current ticket holders who will be watching the jumbo-sized songsters belt out popular classics



often best known from TV adverts and theme tunes.  
Tickets range from £35 to £350 and have already brought in £7 million to the box office. The German promoter, Mattheus Hoffmann, is now offering two £210 seats for the price of one.  
He is hoping the stadium will avoid looking like Wimbledon's centre court did this week or most of the Euro 96 games did last month, with dozens of rows of empty places. A spokesman for Hoffmann Concerts said last night: "Tickets remain unsold in covered and uncovered areas. The forecast is good and people should not worry."  
"The staging will be beautiful and the singers are in very good mood. I saw the concert in Tokyo last Saturday and some people were so moved that they came out crying."  
One man who will be crying tonight — at least on the inside — is Pavarotti, a former gourmand who has

recently undertaken a tough eating regime. While guests at the after-show VIP dinner will be tucking into lemon and lime tart with whipped cream, the 21-stone tenor will get a meagre portion of elderflower jelly. Opera's colossus has already lost three stone under the *basta* (enough) diet, administered by his new love, 27-year-old Nicoletta Mantovani.  
Yesterday the tenors were rehearsing at Wembley, where workers were

### Security monster threatens peace, warn critics

## Arafat's tentacles grip Palestinians

David Hirsh in Gaza

**YASSER ARAFAT**, the Palestinian leader, is building a police and security force so large and costly it will become a serious danger to himself and to the peace process. It is supposed to protect, say Western diplomats, aid workers and even some of his senior officials.  
Disregarding the Oslo Accord, under which his Palestinian Authority was supposed to have a single police force of no more than 12,000 men, Mr Arafat has recruited between 40,000 and 60,000 men to an army of security and intelligence agencies.  
Under his personal control, they are engaging in systematic extortion and often whimsical repression.  
Reinforcing this apparatus of control is the state security court. This secret military tribunal, which generally meets in the middle of the night, denies defendants the right to prepare a defence — or even to prior knowledge of the charges against them.  
Mr Arafat has the sole power to "confirm, ease or stiffen" any sentence the court passes. It recently ordered the 17-day detention of a human rights activist and Arafat critic, Iyad al-Sarraj,

on criminal charges — subsequently dropped under international pressure — of possessing drugs and breaking a policeman's arm in jail.  
According to his critics, Mr Arafat has used the pretext of "fighting terrorism" to build an apparatus which, in the end, he is likely to use in defence of himself and a small elite, discredited by their close collaboration with the Israelis, their oppression of their own people, their corruption and mismanagement.  
The critics charge that Israel and the United States have either actively encouraged or acquiesced in Mr Arafat's dictatorial tendencies and abuse of human rights.  
Running his Palestinian Authority much like he ran his armed "revolution", he has carried divide-and-rule policies to extraordinary lengths.  
Western advisers serving the authority recently compiled a list of 10 identifiable security agencies, heavily geared towards political surveillance rather than law and order, which have no official existence under the Oslo accord, and no defined responsibilities.  
All they have in common is their allegiance to Mr Arafat, who seems to be deliberately allowing them to compete for the spoils of economic, political

and social power. That prevents them from coalescing into a rival power centre to himself.  
They have as many as 17 prisons in Gaza alone. The minister of justice has privately admitted he does not know which agency holds which prisoners, and where.  
One of their key functions is to raise money, by illegal means, for themselves and their boss, who uses secret patronage as a vital instrument of control. They have parcelled out the whole of Gaza's desperately flagging economic life among themselves for extortion.  
One danger — now much talked about even in Mr Arafat's own entourage — is that the Israelis will turn the security force, or part of it, against him. "They have so penetrated it", said one official, "that some of its leaders now depend on them at least as much as they do on Arafat. The time is coming when the Israelis decide that Arafat — who argues too much — has served his purpose."  
He voiced the widely held view that the Israelis are grooming Abu Mazen, one of the secret negotiators of the Oslo accord, to take Mr Arafat's place, and that they will count on Muhammad Dahlan, head of Preventative Security in Gaza, to lead the putsch.

### Nursery bid by Group 4

John Carroll Education Editor

**FOUR**-year-olds may not be quite as unruly as they are sometimes cracked up to be these days, but it could be a sign of the times that arrangements for ensuring the quality of their education may soon be put in the hands of a security company which made its name for tackling bank robbers.  
Chris Woodhead, chief inspector of schools, is considering bids from Group 4 and Securitor to take over responsibility for administering the inspection of more than 16,000 nursery schools and playgroups.  
An Ofsted spokesman said there was no question of uniformed security personnel coming into contact with any of the 500,000 under-fives who

have a place at a nursery, playgroup or other form of pre-school education.  
But he acknowledged that subsidiaries of the two security services companies are now in the running for a contract to administer the inspection of pre-school teachers and premises.  
Mr Woodhead has decided to privatise the job to help his in-house team at the Office for Standards in Education's catch up with a serious backlog of primary school work.  
Group 4 Securitas Training and Securitor Recruitment Services Ltd have been included in a list of 10 bidders for a contract to co-ordinate the teams of accredited inspectors who will be investigating the quality of early years learning.  
They will start work in Norfolk and the three London boroughs where the Govern-

ment's nursery vouchers are being piloted, but the aim is to cover the whole country by March 1998.  
Ofsted said that Group 4 and Securitor were eligible to bid "because they know about contracts, not because they know about nurseries."  
Leaders of the local authorities which provide many of the pre-school places said this approach did not make sense. "Good administrators need an affinity with the business they are meant to be administering. I can't see any connection between these firms' basic activity and nurseries," said Alan Malarkey, principal education officer.  
Chris Leonard, managing director of Securitas Recruitment Services, said the company knew all about the logistics of supplying contract staff, but would leave the educational decisions to Ofsted.

### Security alert on march

#### Orangemen ruling goes to the wire as riot-police are drafted in

David Sharrock Ireland Correspondent

**A MASSIVE** security operation swung into action in Northern Ireland last night to prevent a repetition of last summer's serious unrest during a Protestant church parade through a Catholic area of the Mid-Ulster town of Portadown.  
The RUC will today decide whether to allow a parade tomorrow by the town's Orangemen from Drumcree church down the nationalist Garvaghy Road, after the deputy chief constable, Ronnie Flanagan, said yesterday that he was giving mediators a further 24 hours in which to reach a compromise.  
Upwards of 4,000 riot police are preparing for the march, with support from up to five army battalions if required in extreme circumstances.  
Tomorrow's planned parade is set to test to the limit the IRA's de facto ceasefire in Northern Ireland and that of the loyalist Ulster Freedom Fighters and Ulster Volunteer Force. Both have held to their ceasefire, declared in October 1994.  
Some loyalist hardliners have intimated that a refusal to allow the Orangemen to walk their traditional route would be the last straw.

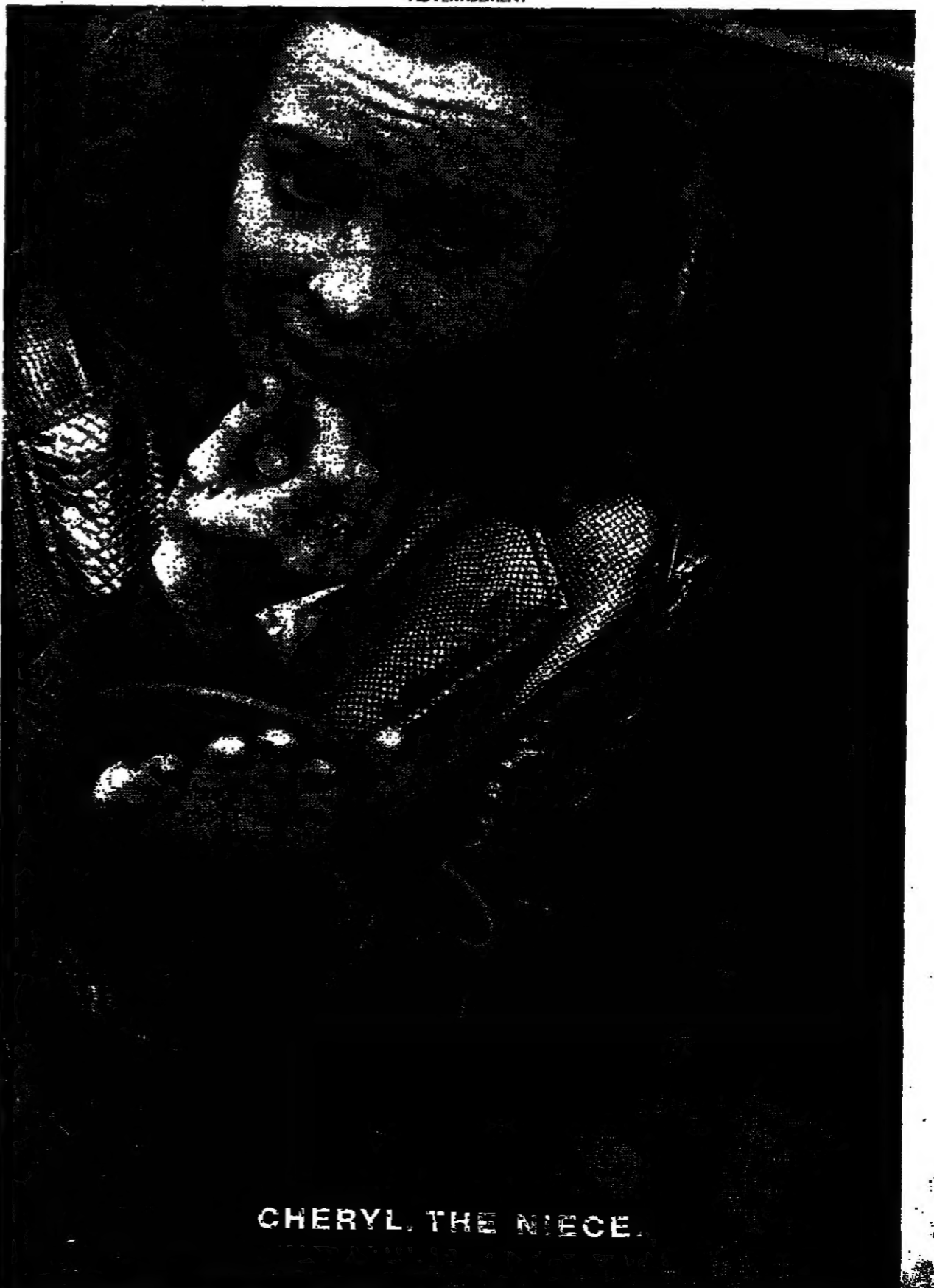
Others fear that a violent backlash would play into the IRA's hands, giving them the excuse to restart their campaign of violence in Ulster.  
Last July a three-day stand-off between thousands of protesters and riot police led to serious disturbances in staunchly loyalist Portadown and scattered incidents throughout Northern Ireland, including the blockade of the Port of Larne, Ireland's busiest harbour.  
"The Siege of Drumcree" entered loyalist mythology after the Portadown Orangemen were finally allowed to complete their journey down the Garvaghy Road in silence and without banners.  
The refusal of nationalists to permit the Orange parades through their district became, for hard-line Unionists, a symbol of the political "sell-out" ushered in by the IRA ceasefire.  
Nationalists have since complained that the compromise was arrived at on the understanding, conveyed to them by the RUC, that it was to have been the last ever Orange parade down the Garvaghy Road without local consent.  
Mr Flanagan admitted yesterday that he was not confident that a compromise could be found, but he refused to speculate on what action the

RUC would take. His main options are to force the parade through or to forcibly reroute it away from the disputed stretch of road.  
Some sources have indicated that the security forces are prepared for up to a week's confrontation.  
Mr Flanagan said he hoped that the dispute would remain a local issue.  
Last year the stand-off brought loyalists and republicans from all over Northern Ireland. Next week is the high-point in the annual marching season, reaching its climax on Friday when 100,000 Orangemen commemorate the Battle of the Boyne.  
The Church of Ireland rector whose church is at the heart of the Portadown conflict yesterday emphasised the religious nature of the controversial parade. The Rev John Pickering said Orangemen had been walking the route after Sunday service for 189 years.  
"There are only hymn tunes played by mainly girls on accordions. It's often portrayed as something quite militant and anti-Roman Catholic while it's simply Orangemen returning home from a church service," he said.  
But residents of the Garvaghy Road claim that the issue goes far deeper than the Sunday parade. Spokesman Brendan Mac Giunnaith said the Orangemen had refused to meet him and listen to their objections.

### Pilots set for indefinite pay strike

#### continued from page 1 without pre-conditions

Failing a negotiated agreement, there is a strong possibility that BA will try to halt the stoppage through the courts. Almost all employers who have sought injunctions to stop strikes in recent years have been given them.  
At the centre of the dispute is the gap between pilots' pay at BA's Euro Gatwick operation — created out of the ashes of Dan Air four years ago — and that of the better paid flight crew working for the main BA business. The union's fear that Gatwick is being used to undercut the majority of pilots has been heightened by BA's attempt to reduce entry rates for qualified pilots.  
BA airline pilots are among the highest paid of all non-managerial employees, with an average basic of £27,000, rising to around £100,000, including allowances, for the most senior captains.  
BA wants the entry rate cut from £22,495 to £27,000 (it is around £18,000 for cadets) and is prepared to increase pay at Gatwick only in exchange for longer hours.  
In a letter to the union yesterday, Captain Mike Jeffrey, BA's flight crew director, said he could not accept that flight crews should receive larger pay rises than other BA employees.  
BA profits this year were £685 million.



**The British anti-ANC lobby has had negligible influence inside South Africa. But its impact may be more pernicious — discouraging the investment which is one of Mandela's highest priorities.**  
Anthony Sampson reviews the president's visit  
**Outlook page 15**

Siege of Gloucester matched by battle of Dumfries as leaders hit the road after Labour's Road to Manifesto launch

# Blair: the fast track to converting Tories



Blair and Prescott with switchers at the front, then Labour supporters, and reporters at the back PHOTOGRAPH: CHRISTOPHER JONES

## Switchers like sound of New Labour policies

Sarah Boseley

IT'S FRIDAY. It's 3.50, it's Gloucester — then by Jove that must be Tony Blair. But if the ancient city in the west had blinked, it would have missed him. New Labour came, saw and conquered with the speed of the Super Shuttle (across France, of course) or a message flying through the Internet.

rehearsed double act of Prescott and Blair. "He's the striker and I'm the sweeper," explained Prescott. It was a tripartite audience. Seated closest were 40 or 50 "switchers" — likely defectors from other parties. Behind them were local Labour Party members. The press had standing room at the back.

ried the switchers. Better help (especially through technology) for job-seekers, enthused Blair, a society where people get on without having to step over bodies, but let's be honest — government can't cure all the problems of the housing market. Another three questions, then another three — "No," said Blair, "I'll take four even though I'm being signalled from the back." National identity cards, the NHS, tax relief for small companies and democracy. He was fluid, persuasive, articulate and suddenly gone.

was heading more carefully in the same direction. "I have always been an uncomfortable Tory in the past," he said. "I feel a lot more comfortable with the Labour Party as it is at the moment." There had been a convergence of Tory and Labour thinking, he believed. "I don't think I'm untypical of my situation."

## Major: 'Insulting' Scots parliament will deter jobs

Prime Minister brings good news on investment for first-ever meeting with Grand Committee

Brian Clouston

THE Prime Minister yesterday renewed his assault on Labour's plan for Scottish devolution, warning it would produce an "insulting" Edinburgh parliament and lead to economic decline.

failure to listen to Scottish demands for change. He also refused repeated Labour requests to say how the Tories would respond to a double Yes vote in Labour's projected devolution referendum.

electronics factory at Mossend in Lanarkshire and a project by St Andrews University to republish the papers of the original Scottish parliament. Later, he laid a wreath at the Robert Burns mausoleum.

would contend that the Scottish parliament is a positive attraction. Jim Wallace, leader of the Scottish Liberal Democrats, pointed out that regional autonomy had been no barrier to companies like British Steel investing in Spain.

ferred voting system for the Scottish parliament, whereby 56 of the 129 MSPs will be nominated from party lists. These "placemen" he warned, would have the deciding say if the elected representatives were divided on any issue.

Mr Robertson told the committee, in which the 10 Tory MPs were outnumbered nearly 5-1, that Scots resented being informed by the Prime Minister that their interest in "modest" control over their lives was "senseless madness".

Minister that if he continued to "dismiss and rebuff" Scottish complaints, "he endangers the unity of the country".

servants, 5,000 quango members and \$14 billion funds. Alex Salmond of the Scottish National Party said sovereignty had permitted the Irish to have a 10 per cent corporate tax rate, which last year had helped attract 114 inward development projects to Scotland's 80.



John Major in Dumfries before addressing the Grand Committee PHOTOGRAPH: MURDO MACLEOD

## Clarke labels Brown's plans 'incompetent'

THE Chancellor, Kenneth Clarke, last night insisted that Tory criticisms of Labour's tax-and-spending plans are entirely justified and prove just how "incompetent" are Gordon Brown's claims to fiscal rectitude.

Clarke claims to be at least 25 "uncoated spending pledges" above the five identified as trail-blazers by Tony Blair. Some members of Labour's National Executive Committee this week hoped to highlight up to 100 such pledges — until warned off by the leadership.

target its attack, the Chief Secretary to the Treasury, William Waldegrave, complained that the only precise figure in Labour's new programme was the price of its policy statement — £10. "It is impossible to parody... this brand of all things to all men policy-making contains and encourages huge dangers," he told a City audience.

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Captain Oleg Vandenko at North Shields, with his once proud Tovarisch, and (right) in his oak panelled cabin on the ship. What began as a charitable venture by a group of Geordies to help an old captain has become a nightmare PHOTOGRAPHS: TED DITCHBURN

## Former pride of Soviet navy in cash doldrums on the Tyne

**Peter Hetherington**  
on the year-long  
plight of the  
Ukrainian barque  
Tovarisch, held at  
North Shields after  
failing a series of  
safety inspections

**W**HEN Captain Oleg Vandenko's magnificent tall ship limped into the Tyne, he dreamt of another golden age of sail after badly needed repairs in dry dock. But a year later, the three-masted training barque Tovarisch, once the pride of the Soviet navy and countless international races, lies moored

at North Shields under detention by the Marine Safety Agency after failing a string of safety inspections. What began as a charitable venture by a group of Geordies to help out an old captain in distress — and bail out his ship's near-bankrupt owners, the Ukrainian government — has become a nightmare for him and his

fast-depleting crew, now down to four. The five get no wages from the education ministry in Kiev, and depend on support groups and Tyneside charities for food and generator fuel. Captain Vandenko, 63 and ailing from diabetes and a heart condition, thinks he is being made a scapegoat and fears arrest if he returns to

his home in the Black Sea port of Kherson. "I am very angry," he laments in his oak-paneled cabin adorned with Newcastle United memorabilia. "For a long time we have had no money from our government but the working people from Tyneside come here and help us, old seamen as well. Beautiful people. Very friendly."

Yesterday, on the first anniversary of the detention order, new attempts were being made to remove the Tovarisch, which had a crew of 45 and 100 naval trainees. Built in Hamburg in 1933, the 1,000-tonne ship was scuttled by the German navy in the Baltic in 1945, then raised in 1947 by the Soviets and rebuilt. Teesside Development Cor-

poration, a government agency, now wants to tow it 30 miles to Middlesbrough, to take pride of place in a new tall ships centre. Up to £400,000 is on offer to begin repair work, provided it passes a safety examination commissioned by the Corporation, and agreement can be reached with the Ukrainian government. However, opinions about the vessel's seaworthiness vary. The Marine Safety Agency says while servicing for lifeboats and rescue boats is overdue, her decks are "washed by corrosion in many places". "But the engine is not good, either," volunteers the 35-

year-old radio operator, Victor Tabela. "There are other problems, too. It is not good." The Tovarisch began an association with Tyneside during a tall ships race, from Newcastle, three years ago. A charity group and local teenagers sailed on the first leg, from the Tyne to Bergen in Norway, then asked the captain to return with the promise of tens of thousands of pounds for renovation. But when the ship entered dry dock last year, £2 million of necessary repairs were identified — and as no one has been able to find the cash, the Tovarisch remains tied up on the Tyne.

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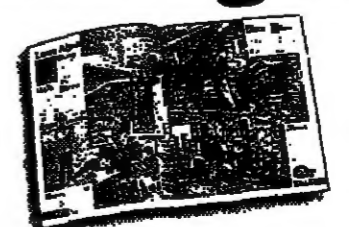
### Improved detection reveals £60m local government fraud

**James Melkie**  
Community Affairs Editor

**T**HE amount of fraud detected in local government has nearly doubled in two years to between £60 million and £70 million a year, according to figures to be published by the Audit Commission. Illegal claims for housing benefit and student grants, distributed by councils but mainly paid by the Government, account for most of the money which is increasingly being siphoned away by organised gangs. More than 150,000 cases of fraud are thought to have been detected during the 1995-96 municipal year, compared with 83,000 cases involving £36 million in 1993-94 and 112,000 cases involving £46 million in 1994-95. The commission, which is

still analysing the figures, believes better detection methods — including computer checks — and more co-operation between local authorities, the police and other public bodies account for some of the increase but it does not know "how much of the iceberg" remains uncovered. The figures pale beside some estimates of housing benefit fraud, which the Commons social services select committee has said may total £3 billion a year. The commission says local government is more "sinned against than sinning" with relative few cases involving deliberate wrongdoing by staff. It also argues that the money represents a small proportion of the £44 billion spent by local authorities, the £10 billion housing benefit bill and the £2.8 billion student support bill.

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6 WORLD NEWS

# Report links Zedillo to kickback

Phil Ganson in Mexico City

MEXICO has threatened unspecified legal action against the New York Times over an article in yesterday's edition which implicates President Ernesto Zedillo in a questionable government payment to a businessman in 1989.

At the time, Mr Zedillo was budget secretary in the government of Carlos Salinas de Gortari. The \$7 million (£4.5 million) payment was made to Maseca, a company owned by Roberto González Barrera — the self-styled "torilla king" of Mexico.

According to Forbes magazine, Mr González ranks number 11 on the list of Mexican billionaires, with \$1.1 billion.

Most of his wealth was accumulated under the government of his close friend Carlos Salinas, whose brother Raúl is in jail awaiting trial on charges of murder and "illicit enrichment".

In 1989, Raúl Salinas was the planning director of Conasupo, the state agency charged with distributing goods to the poor at subsidised prices.

Conasupo gave the \$7 million to Maseca in compensation for delays in paying subsidies to the company.

However, the New York Times says lower-ranking officials had advised the government that the payment was "unjustified and probably illegal".

The newspaper bases the claim on documents provided by an independent congressman, Adolfo Aguilar Zinser, a former close aide to Cuauhtémoc Cárdenas of the Party of the Democratic Revolution

(PRD). Mr Aguilar, a member of the multi-party congressional commission investigating Conasupo, is not accusing the president of having benefited personally from the transaction. Influence-peddling within the government, he told the newspaper, was "so widespread there didn't need to be any personal benefit".

However, he does argue that Mr Zedillo's decision was crucial in circumventing opposition within the government.

In a communique issued late on Thursday, the Mexican government said the article contained "slanderous insinuations". It accused the correspondent, Anthony DePalma, of refusing to take into account information offered by the president's office "even before seeing it", and suggested: "Perhaps the aim of the article and the motivation of [Mr DePalma's] informant was not that of informing public opinion."

Nancy Nielsen, a New York Times spokeswoman, said the paper stood by its story, which she said was "thoroughly and accurately reported. It speaks for itself."

Like many of his predecessors, President Zedillo has committed himself to eradicating government corruption.

Mr González Barrera is the latest in a series of businessmen to be publicly accused of benefiting from links with Raúl Salinas.

Another is Ricardo Salinas Pliego (no relation), the owner of Mexico's second-biggest television company, TV Azteca. Mr Salinas Pliego this week admitted receiving a \$29 million loan from Raúl Salinas at around the time of his successful bid for the privatised television concession.



Faceless in the crowd... Zapatista leader Subcomandante Marcos is besieged by fans at a forum in San Cristobal, Mexico, to air the rebels' grievances. PHOTOGRAPH: ANDREW WINNING

# Barefaced cheek of Bogotá's eccentric mayor

Red cards for drivers and Marcel Marceau-style cops are just two of Citizen Mockus's ideas, Mary Matheson in Bogotá writes

NELSON Barreras, aged eight, enters a booth, draws his uncle's face on a balloon and squeezes until it bursts. He sticks a wish on a "tree of desires", is given a symbolic "vaccination" — a drop of water in the mouth — and is sent on his way.

This is a "vaccination against violence" day, intended as a form of therapy for abused children in Bogotá, capital of Colombia and the murder capital of Latin America.

About 40,000 people have had the anti-violence vaccination in the past four months. This is not the only odd thing about Bogotá.

Careless motorists may find

a football-style red card waved in their face, rather than the traditional torrent of abuse and horn-honking.

And jaywalkers are liable to be followed down the street by white-faced mime artists imitating their every move — the idea being that they will be embarrassed into mending their ways.

These are just some of the unconventional schemes of Antanas Mockus, Bogotá's eccentric mayor. Simply on appearances, Mr Mockus, aged 44, is different from most Colombian politicians in their Gucci shoes and Pierre Cardin suits.

He rarely wears a tie and bears a passing resemblance to Abraham Lincoln, with a

bowl haircut and chinstrap beard.

It is his distinctiveness which won him 70 per cent of Bogotá's votes in 1994. He is part of Latin America's current vogue for "anti-politicians", independent of the corrupt and inefficient traditional parties, and is often likened to President Alberto Fujimori of Peru.

Both entered politics from the academic world, and are the sons of immigrants. Mr Mockus's parents were from Lithuania.

He gained notoriety in Colombia two years ago when he showed his bare bottom to a heckling audience of university students. "It was a sign in a war of signs," he said.

"Maybe if I'd had a whistle, I would have whistled. He now wears a whistle around his neck, just in case.

Since taking office, Mr Mockus has continued to entertain Bogotá's. In January he got married in the lions' cage of a circus tent, and he and his bride left for the wedding reception on an elephant.

His policies, such as the vaccination against violence, are as unorthodox as the man himself. Unconvinced by traditional methods for tackling the problems in this anarchic city of 7 million, he is trying to change public behaviour and create a "citizen's culture".

Hence the red cards which he introduced to short-circuit road rage, an all too common complaint in a city where a red light is usually looked upon less as a stop sign than as a challenge.

"The crucial point of a citizen's culture is learning to correct others without mistreating them, or generating aggression," said Mayor Mockus.

Mistreating and generating aggression is generally thought to be the stock-in-trade of the city's police, a byword for corruption and brutality.

Now an army of teenage police trainees, with umbrellas and faces painted like mime artists, roams the city during the rush hour trying to control traffic and pedestrians.

A pedestrian crossing the road at the wrong place will be chased by a "mime artist" who will shadow his every move.

"We have found that when people know the rules and are sensitised by art or creative forms, they are more likely to

accept change," Mr Mockus said.

Although he is criticised for failing to address basic public service problems, he retains the support of 85 per cent of Bogotá's. And with Colombia's traditional politicians discredited by a drug-funding scandal, many observers are tipping him for the presidency in 1998.

Police yesterday blamed leftwing rebels for a bomb blast in Bogotá which killed a night watchman and two street children. The bomb exploded in the central Teusaquillo district of the city on Thursday night.

The explosion came within hours of a police announcement of the arrest in Bogotá of a leftwing National Liberation Army (ELN) guerrilla, said to be the leader of rebel commandos operating in the capital.

# Mexican synonyms list leads to complaints of 'racist' software

Phil Ganson in Mexico City

A LIST of suggested synonyms for "Mexican" included in the Spanish-language version of the Microsoft Word 6 word-processing programme has led to complaints of "racism".

"Aztec" is a word often substituted for "Mexican" in official discourses. But just a mouse-click away are such terms as "vulgar",

"whining" and "ridiculous".

How about "Indian" — a term still used for the indigenous tribes of the Mexican population? According to Microsoft, "savage", "primitive" and even "cannibal" might apply.

Adriana Luna Parra, an opposition MP, said the software constituted "an attack on our country, on the sovereignty of our nation".

# Recovered memory evidence dealt blow as father is released

Ian Katz in New York

THE credibility of so-called recovered memory evidence was dealt a serious blow this week when Californian prosecutors announced they would not attempt to retry a man for the 1989 murder of an eight-year-old girl.

George Franklin Senior, aged 57, was convicted of murder and sentenced to life in 1990 after his daughter, Eileen Franklin-Lipsker, then aged 29, testified that she had suddenly remembered him molesting and killing her friend Susan Nason 20 years earlier. The reliability of such recollections, supposedly

retrieved after years of repression, has been the subject of controversy.

An appeal court last year threw out Mr Franklin's conviction on the grounds that Ms Franklin-Lipsker and her sister Janice Franklin were hypnotised before they gave evidence, a practice forbidden under Californian law.

But prosecutors refused to release Mr Franklin saying they would seek a retrial. On Tuesday, however, Mr Franklin was freed after the San Mateo County District Attorney, Jim Fox, said prosecutors remained convinced of his guilt but did not believe they could "meet our burden in a jury trial".

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WIMBLEDON: THE FINAL WEEKEND

The men's semi-finals

Washington sows seeds of doubt

Richard Williams sees Todd Martin float like a butterfly but his opponent sting like a bee before rain called a halt at two-sets all

THE Centre Court men's semi-finals day. This is a stage on which the likes of Rosewall, Rod Laver, Emerson, Ashe, Borg and McEnroe struggled with the fates and each other. Do you know who never even got this far at Wimbledon? Pancho Gonzales, that's who. Yesterday we watched Todd Martin and Mal Vil Washington trying to live with the legends.

At the moment they are stuck on the second level.

Neither of them has much in the way of identifying characteristics, never mind mannerisms. Sweat away from his eyebrows with the flick of a forefinger is about as far as it goes, and even that must have been borrowed from old videos of the aforementioned Gonzales. But at Wimbledon this week they were presented with a chance to redefine themselves. This was their way to get off the plateau.

Martin, the conqueror of Tim Henman on Thursday, had been here before. Two years ago he reached the quarter-finals of the Australian Open, where Martin beat him in straight sets.

very good player, now is the time.

For Washington, who turned 27 three weeks ago, this was unknown territory. In seven years as a professional he had never before been further than the second round at Wimbledon, and had never made it to a Grand Slam semi-final. Two years ago he reached the quarter-finals of the Australian Open, where Martin beat him in straight sets.

The very first point of the match provided both a paradox and a deception. Martin, 6ft 6in and 14st, is known for his mighty serve. Yet here he was chasing down the thinnest of net cords from Washington to stroke the ball back into an unresolvable space with less power than it would take to disturb a sleeping butterfly.

won with a clean ace, giving a more accurate indication of the way the match was about to proceed.

Washington, a square-rigged 5ft 11in and 12st 3lb, was hoping to become the first black man to reach the final since the immortal Arthur Ashe. Faced with Martin's powerful serving and surprisingly delicate touch at the net, he was forced to put his trust in the direction and depth of his passing shots on both wings.

Martin took the first set, breaking Washington in the second and 12th games, losing his own serve in the ninth to a double fault on the final point. Washington broke Martin in the fifth game of the second set — again with a double fault at 15-40, which might say something about the big man's temperament — and survived a flurry of aces

and several exquisite stop volleys and drop shots to serve out.

One break each in the third set prefaced a tiebreak which Martin took with the fourth available set point. But by this time Washington was beginning to direct a series of spitting returns at the feet of the incoming server, mixing them with enough venomous passes to sow uncertainty in his opponent's mind. Even a 33-minute rain break could not disrupt the concentrated effort which brought him the fourth set with relative ease.

But then the rain returned, the covers came back on and 4½ hours later the day was abandoned. The fifth set, whenever it takes place, promises a grim struggle. The other semi-final between Richard Krajicek and Jason Stoltenberg has been held over until today.



Navratilova... nervous

Martina lobs on after that twentieth

MARTINA Navratilova moved closer to equalling the record of 20 Wimbledon titles yesterday — but only just. It required the game's greatest lady to conquer the nerves, to maintain the between-games chatter with her occasional partner Jonathan Stark and to come up with a crafty lob return over Marcos Ondruska before a third successive victory and a quarter-final mixed-doubles place was secured.

This piece of well-timed impudence was dredged from the experience of a quarter of a century in top-class tennis and it set up a rally from which Navratilova eventually made the forehand volley that clinched the 7-6, 6-7, 7-5 victory over Ondruska, a South African of Czech parentage, and the Swiss-born Austrian Karin Kschwendt.

There is no doubting the desire the 39-year-old has for that twentieth. She was insistent that they should play the final set in damp conditions which were enough to halt play on the Centre and No. 1 Court, discussed continually what type of service returns she should employ, taxed line judges and the umpire about several decisions and blessed 65-year-old partner flamboyantly on the lips when their access had been secured.

"We planned that lob," she said. "We had more opportunities throughout the match but couldn't convert them. I was nervous last year because I'm nervous now. Now I'm nervous this year because I want to win. I've been knocking at the knees because I've not played for such a long time. And it's not like singles — it's more nerve-racking with a partner."

The US Open 10 months ago was the previous time Navratilova competed. However, there was no problem skating wide for the dinked returns or scuttling back for the lob volleys or even taking defensive volleys full bore. Once she even managed a retrieve between her legs.

Nevertheless there were one or two over-intense responses, a dropped serve in the last second set and a dazzling smile during the which belied the post-mortem state. After all the outpourings she may just relax her feet today and, if she does, then Billie Jean King's record can be reached.

The women's final

Graf's cold could bring real Spanish comfort

Stephen Bierley on today's clash of old adversaries and playing styles

STEFFI GRAF, clearly still smarting from Martina Navratilova's accusation that her pre-Wimbledon knee problem was a good deal less serious than the German had suggested, resolutely refused to talk about injury or illness before today's women's final against Spain's Arantxa Sanchez Vicario.

It was obvious the reigning champion was suffering from a heavy cold yesterday after she had completed a 6-2, 2-6, 6-3 semi-final victory over Japan's Kimiko Date on another half-full Centre Court.

Sweat beaded Graf's forehead and she clutched a handkerchief. "Do you not feel well?" she was asked. "After Martina's comment I'm not going to say anything any more," Graf replied.

Graf's various injuries over the years have been well documented; set beside these are her 19 Grand Slam singles titles. When you win, nothing hurts.



Steffi Graf... wears down opponents

It was impossible not to feel a little sorry for Date. With

year's Wimbledon final, have been marvellously fluctuating affairs.

The Spanish player's style of play does not suit many. She is quite capable of playing attacking shots, and frequently does, but the core of her game is the ability to run down every shot of her opponents and force them, often through sheer frustration, into errors.

The length of the Spaniard's name does not cause quite so many problems as the length of her rallies but in Paris she was variously rendered on the scoreboards as A Sanchez Vicar and A Sanchez VI ("God preserve us from the other five," remarked one French journalist).

Graf's style has never been a problem to the aesthetic sporting eye, although her game is not without its frustrations. In the last set against Date yesterday she followed in one of her immense, power-packed forehands and punched away a telling volley. If she would only do this a little more often, then nobody would touch her on the grass.

Graf is also able to unleash a top-spin backhand but rarely allows herself the luxury of this potentially lethal shot. Fraulein Forehand she remains.

The last time Sanchez Vicario lost Graf was in the 1994 US Open final when, having lost the first set 6-1, the 24-year-old Spaniard, 2½ years younger than the German player, came back to win the last two sets 7-6, 6-4. In fact, six of their last seven meetings have gone to three sets, including last year's Wimbledon final.

Date, one of only two women to have beaten Graf this year, the other being the Swiss teenager Martina Hingis, marginally favours a Graf victory. "But it is really difficult to predict."

So it is. If Graf is not feeling well, and she certainly looked and sounded poorly yesterday morning, then the longer the match goes, the better it may be for the Spaniard.

Should Graf win, this will be her seventh Wimbledon singles title (compared to Navratilova's nine) and her 20th Grand Slam success in total. Only Australia's Margaret Smith, with 24, has won more.



Standard service... Steffi Graf concludes her semi-final business yesterday

Graf 27, Sanchez Vicario 8

Table with columns: Year, Tournament, Surface, Round, Winner, Score. Lists various tennis tournaments from 1988 to 1996.

Results

Men's Singles: P Sampras (US) vs J Stark (Aus) 7-5, 4-6, 7-6, 6-3. Men's Doubles: T A Woodbridge / M Woodlards (Aus) vs B Black / G Connell (Zim) 6-3, 6-1. Women's Singles: S Graf (Ger) vs J Navratilova (Cz/Sp) 6-2, 2-6, 6-3.

Mixed Doubles

Holders: M Navratilova / J Stark (Aus). Second round: B Black / G Connell (Zim) vs P Sampras / J Stark (Aus) 6-2, 6-3. Third round: P Sampras / J Stark (Aus) vs B Black / G Connell (Zim) 6-2, 6-3.

Men's Over-45

Holders: J D Newcombe / A D Roche (Aus). Quarter-final: J D Newcombe / A D Roche (Aus) vs J D Newcombe / A D Roche (Aus) 7-6, 4-6, 4-6, 6-3.

Sports betting

Take Surrey price for Steffi in straight sets. Julian Turner. IN A world of uncertainty, thank goodness there are some things you can still rely on. Not the men's Wimbledon semi-finals, of course: it would have taken an accumulator of around 300,000 to 1 to predict the four eventual contenders.

Cricket

Divided opinion has left the bookies betting on a sticky wicket in the NatWest Trophy, and current prices are available. Surrey (SR) and Cornwall (COR) hold particular opposing views. After taking some lumpy bets SR make Lancashire strong favourites at 4/1 followed by Warwickshire at 11-2, while Cornwall pushes both contenders out to 13-2 with a slip codron of other teams just behind.

Boxing

Nigel Benn makes his comeback tonight to challenge Chris Eubank's conqueror, Steve Collins. Benn should still be the class act, but the relentless professionalism Collins showed to silence the Mouth will make it hard for him. Benn will either score an early knockout or lose enthusiasm if the fight turns into a marathon.



Long service... Todd Martin against Mal Vil Washington yesterday, with the decisive set delayed until today

Large vertical advertisement on the right side of the page, including 'Halli trum', 'Double Tr', and 'CORNHILL TEST SERIES ENGLAND V PAKISTAN'.



Racing

Halling to turn up trumps on turf

Softening ground should favour last year's Eclipse winner in repeat bid says Ron Cox

ONLY four runners turned out for the 1985 Coral-Eclipse Stakes, when Febles beat Rainbow Quest...

Halling went on to win the Juddmonte International Stakes at York with the proverbial ton in hand...

Pentire has not run since the Dubai World Cup, but that was always Geoff Wragg's intention...

Double Trigger sale misfires

DOUBLE TRIGGER is to race on Epsom after his trainer, Mark Johnston, revealed the five-year-old's proposed sale to the Middle East has fallen through...



Silver lining... Ron Aron (umbrella aloft) greets Wendy Woods after his win on Sheer Danzig in the Hong Kong Jockey Club Trophy

Sheer Danzig's 'away win' has his Hong Kong connections singing in the rain

SHEER DANZIG kept the Hong Kong Jockey Club Trophy 'in-house' when he gained a last-gasp, short-lived victory in the \$20,000 handicap at Sandown yesterday...

Woods rode with considerable success in Hong Kong, where he began as an apprentice and has been granted another licence to rejoin his uncle, trainer Lawrie Fownes...

At him he will always respond and I knew we had got up. This is like winning a major race...

Verdon. "It's not very often I get here to see one of my horses run, let alone win on a day the Jockey Club is sponsoring. I thought something was going to short fix."

"It wasn't easy for Robert to organise Sheer Danzig to run. But we targeted the race a couple of months back and he won by a thread. It was very close."

Sandown runners and riders with TV form

Table with 2 columns: Race number and details (e.g., 1.18 Handicap, 2.50 Optima Open).

Table with 2 columns: Race number and details (e.g., 2.15 NEW PARADISE HANDICAP STAKES).

Table with 2 columns: Race number and details (e.g., 2.50 SANDOWN PARK SPRINT STAKES).

Table with 2 columns: Race number and details (e.g., 3.25 SANDOWN PARK SPRINT STAKES).

Table with 2 columns: Race number and details (e.g., 3.50 SANDOWN PARK SPRINT STAKES).

Table with 2 columns: Race number and details (e.g., 4.15 HANDICAP).

Table with 2 columns: Race number and details (e.g., 4.45 SANDOWN PARK SPRINT STAKES).

Table with 2 columns: Race number and details (e.g., 5.15 VICTORIA AMATEUR TURF CLUB HANDICAP).

Table with 2 columns: Race number and details (e.g., 5.45 SANDOWN PARK SPRINT STAKES).

Haydock with TV form

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Table with 2 columns: Race number and details (e.g., 2.25 SANDOWN PARK SPRINT STAKES).

Table with 2 columns: Race number and details (e.g., 3.10 LETHBRIDGE CHRISTOPHER OLD HUNTER).

Table with 2 columns: Race number and details (e.g., 3.40 LETHBRIDGE CHRISTOPHER OLD HUNTER).

Table with 2 columns: Race number and details (e.g., 4.15 SANDOWN PARK SPRINT STAKES).

Table with 2 columns: Race number and details (e.g., 4.50 SANDOWN PARK SPRINT STAKES).

Table with 2 columns: Race number and details (e.g., 5.15 SANDOWN PARK SPRINT STAKES).

Table with 2 columns: Race number and details (e.g., 5.45 SANDOWN PARK SPRINT STAKES).

Chepstow

Table with 2 columns: Race number and details (e.g., 2.55 WOODBRIDGE HANDICAP).

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Table with 2 columns: Race number and details (e.g., 6.30 SANDOWN PARK SPRINT STAKES).

Results

Table with 2 columns: Race name and results (e.g., SANDOWN 2.00 (5) SINGH, 2.15 (1) GUY).

Table with 2 columns: Race name and results (e.g., SANDOWN 2.50 (1) SINGH, 2.55 (1) GUY).

WARWICK

Table with 2 columns: Race name and results (e.g., 2.10 (1) SINGH, 2.15 (1) GUY).

Table with 2 columns: Race name and results (e.g., 2.50 (1) SINGH, 2.55 (1) GUY).

Lucayan Prince, shock 60-1 winner of Royal Ascot's Jersey Stakes, has been supplemented for Thursday's Darley July Cup at Newmarket at a cost of £15,000.

10 SPORTS NEWS

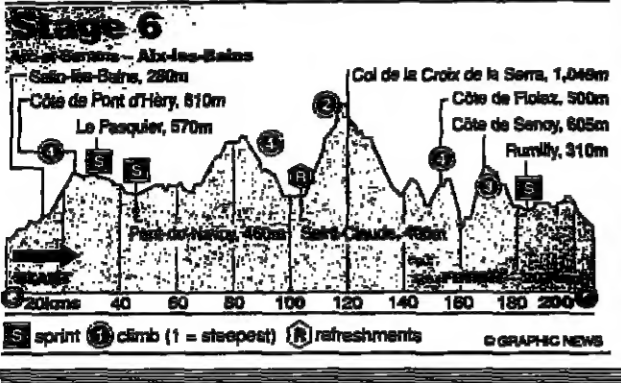
Tour of France

Apocalypse now and Boogerd later

William Fotheringham in Aix-les-Bains
WHATSOEVER awaits the Tour de France field in the Alps over this weekend, it can hardly be worse than the conditions yesterday heading south through the Jura mountains.

down like stair-rods. Gendarmes with chain-saws had to clear pine trees blown down across the route. All that was missing was a plague of frogs.

retirements continue as the foul weather and late finishes combine to produce muscular and chest ailments. Alexander Gontchenkov, a young Russian who has been one of the finds of the year, was one of two who failed to start the stage and another 11 men joined Armstrong in the broom wagon.



ONCE looked set for the stage win when Melchior Mauri, who was sixth last year, disappeared into the gloom and spray with a young Dutchman, Michel Boogerd.

Sailing

Coutts joins the port-hoppers of France

THE Tour de France has a rival in its own country for bicycles substitute boats. It features some of the world's top sailors, takes in 15 ports and runs for a month.

No.1 sailor Russell Coutts, winner of the America's Cup and scourge of the match racing Grand Prix series, will join the St Pierre et Miquelon entry on Monday after the Swedish Match Cup.

Thousands will watch the start. The crowd will be even bigger when the tour moves into the Mediterranean after an overland transport from Archachon, near Bordeaux, following eight stages down the Atlantic coast.

Beverley

Table of horse racing results for Beverley, including race numbers, names, and winners.

Carlisle tonight

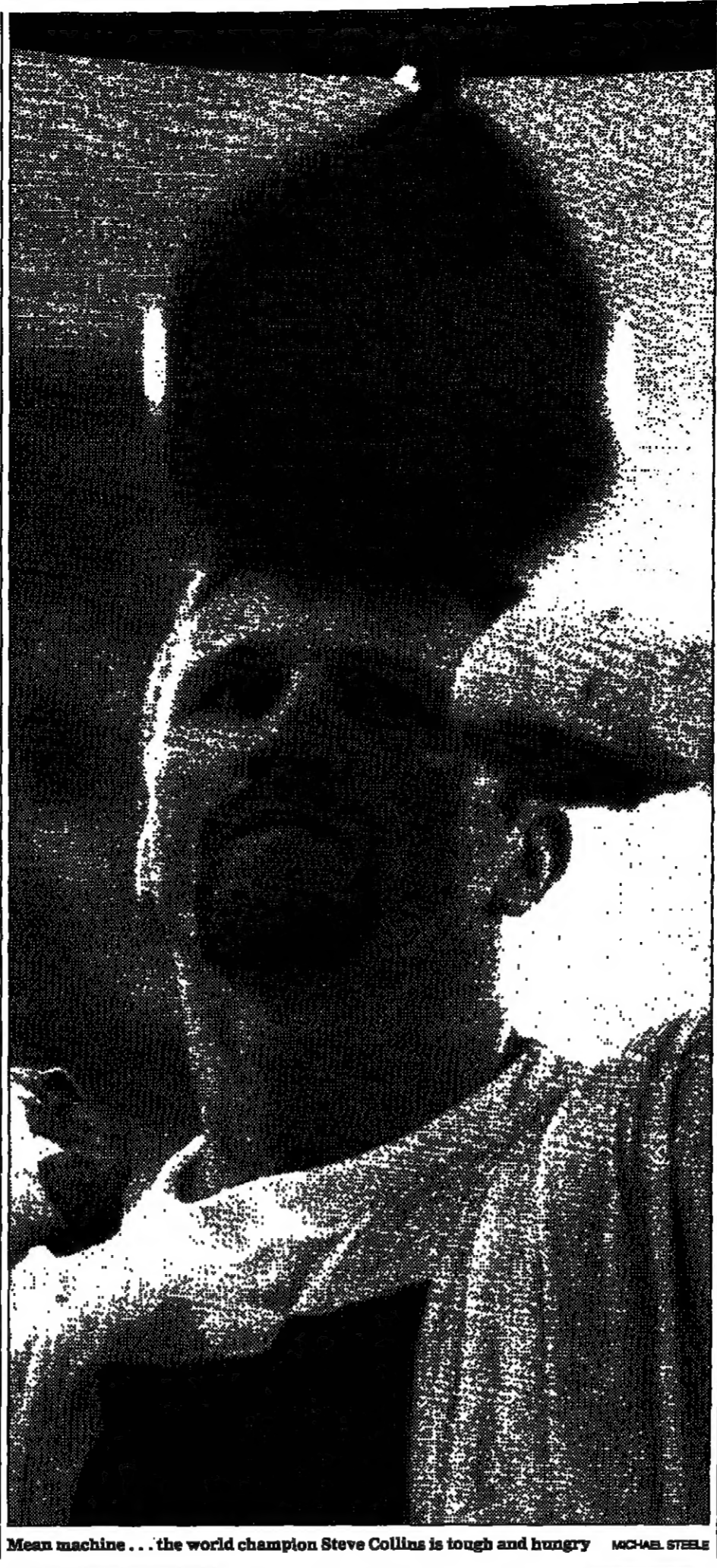
Table of horse racing results for Carlisle, including race numbers, names, and winners.

Nottingham tonight

Table of horse racing results for Nottingham, including race numbers, names, and winners.

Wolverhampton tonight

Table of horse racing results for Wolverhampton, including race numbers, names, and winners.



Mean machine... the world champion Steve Collins is tough and hungry

Boxing

Make or break for battered warrior Benn

Kevin Mitchell on tonight's crucial fight for Ilford's finest against Collins

SO MUCH of boxing is invested with ill-fated fighters in his manager, the public in a ring hero — and few in the business so capture the mood of seat-gripping tension as Nigel Benn. In Manchester tonight he will tantalise the faithful again.

There is a rich irony here, one common in boxing. Benn, the challenger, is considerably wealthier than Collins, whose three defences since he took the belt from Chris Eubank have made him a debutant, but have not provided him with the riches to seal a comfortable retirement.

Table of horse racing results for Beverley, including race numbers, names, and winners.

Table of horse racing results for Carlisle, including race numbers, names, and winners.

Table of horse racing results for Nottingham, including race numbers, names, and winners.

Table of horse racing results for Wolverhampton, including race numbers, names, and winners.

Advertisement for 'Labour' featuring a large image of a person and text: 'Labour... the point and off their... The C...'

Athletics

Duncan Mackay in Oslo sees Fredericks pip the 200m world record holder who suffers his first defeat in two years

Johnson falls to Frankie's flyer

FRANKIE Fredericks came out on top in his battle of the two fastest men in the world here last night when he handed Michael Johnson his first defeat in 200 or 400 metres for two years. Johnson came only after he appeared to leave the world record-holder in his wake after what looked to be a false start in the 200m.

Fredericks, whose starting has benefited greatly by working with Colin Jackson and Linford Christie this year, was so fast out of the blocks he made Johnson in the lane inside him look like a sleepwalker. But, coming into the home straight, Johnson had pulled a stride clear of Fredericks.

Fredericks, fighting desperately to end Johnson's winning streak of 21 races — a run that began after he had beaten him in Rome in July 1984 — put in a spurt in the last few metres. As he crossed the line in his familiar, straight-backed style, Fredericks' face contorted in relief as he saw the digital clock stopped at 19.82sec, 0.03 ahead of the American.

It was the first time the two men had met since last September, just over a month after Johnson had beaten Fredericks to complete his 200/400m double at the world championships. With Johnson having run 19.86 in the US Olympic trials, and Fredericks clocking 9.86 for 100m in Lausanne two nights earlier, the second fastest ever, this was a clash of titanic proportions.

One glance at the national flags waving around the rim of the stadium before the runners set off was enough to suggest this was a race that was not going to see a world record. But the mental boost this will have given Fredericks is immeasurable.

Jonathan Edwards also gained a big psychological edge over his rivals in the triple jump when he showed he is truly over the confidence crisis which earlier threatened to ruin his Olympic season. He has jumped farther this season but his second-round effort of 17.68 metres into a 1.4m per second headwind was undoubtedly his best jump since last year's remarkable summer.

The world champion and world record-holder did not even need to look back at his mark in the sand before standing and smiling with arms aloft as applause swelled through the stands to know that he had won and extended his unbeaten record to 20 competitions.

The 1600 metres — beloved of Coe, Ovett and Cram here — also provided a performance which lifted collective morale. All the bravery and courage in the world could not carry Kelly Holmes to victory over Sonia O'Sullivan, but the army sergeant came away delighted to have set a personal best despite having



Triple chance... the world champion Jonathan Edwards takes to the air on his way to victory in Oslo last night

been suffering from a cold. Holmes tracked the Irishwoman throughout, moving outside on to her shoulder as they went down the back straight. For a moment on the final bend the race was poised. But O'Sullivan, unbeaten since Holmes defeated her at Gateshead last year, increased her effort, ultimately registering a clear-cut victory in 3min 59.82sec, the fastest in the world this year, with

Holmes second in 4.01.13, 0.29sec faster than she had run before. "She really works me up," said O'Sullivan.

This latest success over Holmes and Mossambique's Maria Mutola confirmed O'Sullivan's decision to double-up in the 1500 and the 5,000m in the Games. But it made a big decision all the more difficult for Holmes. She still has to decide whether to do the 800m, 1500m or both.

"I'll only double up if I do the 800m because I consider that will be my ultimate event," Holmes said. As Atlanta approaches, the whole situation in the women's distance events is confused. Fernanda Ribeiro, who won the 5,000m in 14.41.07, still has to decide between that event and the 10,000m. Unlike O'Sullivan, Ribeiro does not have the luxury of doubling up because

Results

Rugby Union
Rugby League

Golf

Baseball

Boxing

Cycling

Handball

Motor Sport

Rowing

Swimming

Tennis

Volleyball

Weightlifting

Winter Sports

Other

McDonnell had 13.25. 100m...

England 1-0 Argentina 56, Ireland 27...

OPTUS Cup Western Force 14, Gold Coast 14...

América de Cali 2-0, Chicago 1-0...

WBC Championship Title (Welterweight)...

Team time trial (Men)...

Handball (Men)...

Argentina Rally...

Men's 100m...

Men's 200m...

Men's 400m...

Men's 800m...

Men's 1500m...

Men's 5000m...

Men's 10000m...

Men's 200m...

Golf

Ruddy good Montgomerie

David Davies in Dublin

IGNORING all distractions, such as very slow play and a fast-moving thunderstorm, Colin Montgomerie assumed his by now normal position at the head of the leader-board after two rounds of the Murphy's Irish Open.

A second successive 69 gave him a four-under-par total of 138 and a one-stroke lead over Peter Hedblom of Sweden and Miguel Langa of Spain.

Bernhard Langer, the overnight leader, dropped five shots over the last six holes, including a double bogey at the short 17th, with its island green, and slipped back into the pack at one over. With him are Ernie Els and the defending champion Sam Torrance but this Druid's Glen course is so tough that none of them can be considered out of contention.

Montgomerie opened up with nine straight pars before wedging to 10 feet at the 10th, reaching the green in two at the 522-yard 11th and stroking an eight-iron to four feet at the short 12th. Those birdies gave him the leeway he needed for the difficult finishing holes and the reserves to survive an hour-long delay as the thunderstorm passed over. The Scot was on the 13th tee when the hooter sounded but he had already decided not to carry on.

"I've should have been stopped 45 minutes earlier," he growled. "There were lightning flashes everywhere and we're out there throwing steel clubs around in the air. It's ludicrous."

On resumption the Scot parred the 13th, the hole that had cost him a seven on Thursday. The 12th and 13th holes are in a deep valley with almost sheer rock-faces

on either side and a stream running through to a pond at the end. The course designer Pat Ruddy required the better part of 2500,000 to create three holes here from what had been "a rich man's ornamental ployer".

"In the old days they would relax down there," said Ruddy, "and bathe in the pond." They even had chilled drinks, thanks to a subterranean ice house. Ruddy also found a Druid's altar — "right where the Ordnance Survey Map said it was" — at the base of the former castle.

For today's rich men, the golfers, the area is rather more likely to be regarded, if not as a Valley of Sin, then at least a Temple of Doom. On the first day Druid's Glen, par 71 had an average score of 74.8; yesterday, even without a wind, it was still around 74. The 13th, a par four of 471 yards, took an average of 4.6 strokes to complete.

The problem is that the drive needs to be faded around a rock-face, and very precisely too, because too little means deep rough on the left and too much means water on the right. A successful tee shot leaves the player contemplating a 300-yard shot over the former castle walls to a lake to a long, thin, inviting green.

On Thursday Montgomerie found the water. Yesterday it was Langer's turn, although he salvaged a chip and putt for bogey, ignoring ordinary bogeys as being unworthy of consideration. The 13th in two rounds, has extracted 41 double-bogey sixes, nine sevens, one eight and one nine.

There will be some, mostly those at the Aer Lingus clubhouse, who will wish Ruddy had never discovered his unhappy valley.

Rowing

Veteran pair find a silver lining

Christopher Dodd at Henley

MARTIN CROSS called it "the best reception I've ever had in 21 years of Henley competition" after going out of the Silver Goblets by a foot.

Standard rowed with his partner Richard Stanhope, with 30 international appearances between them, to break through the young Swiss lightweighters Benedict Schmidt and Camille Coudon.

One more stroke would have done it after a gripping race in which Cross and Stanhope, aged 38 and 39 respectively, took the lead at the Barrier before losing it at the Mile. They closed a large gap by rating 41 along the enclosure. There was a long wait for the photo verdict.

"The reception we got past the grandstand more than made up for losing," said Cross, a teacher at Hampton School. "I had a virus all week and had been covering for Steve Gunn who's away coaching the Olympic four. And I've got three kids, so it's been a hard week."

Stanhope now takes over minding his one-year-old Jamie after his wife Rachel went through another round of the Women's Single Sculls when she beat Irish Reid, who until recently was in the Olympic squad. They last raced each other in 1966 trials

when they dead-heated. Rachel Stanhope, who trains mainly by cycling to work, meets the holder and world champion, the huge Swede Maria Brandin, today.

Yesterday's other verdict by a foot was Martin Vercoer's scrap with James Martinez in the Diamond Sculls. Vercoer, a chemical engineering student from Delft who narrowly missed Olympic selection, needed all the alchemy of his first name to outscull the American lightweight who was fifth in the world last year and using his first Henley as a work-out for the world championships. The lead changed several times but there was never more than five feet between the boats for the 1 mile 680 yds. There was a long wait for the photo verdict.

The King's School Chester stopped in the Princess Elizabeth when their No. 4 Markus Baker caught a crab and wrenched his back.

Goldie, with five Bluse o-blogs, put the American Inter-Collegiate champions Princeton out of the Ladies' Plate and meet the American national lightweight eight in today's semi-final. Britain's national lightweight crew will be in the other half. One of the best hopes for the Double Sculls, Roris Henderson and Paul Reid, were beaten by Emmet O'Brien and Lar Collins of Commercial, Dublin.

Rugby Union

Greetings card benefactor pumps £5 million into Bath

BATH are set to become the wealthiest club in the UK as a result of a £5 million investment by a local businessman Andrew Brownsword.

Next week the league and cup double winners will announce details of the new financial package that will enable them to underwrite their competitive status as England's most successful club.

Negotiations with Brownsword, whose flourishing greetings card empire is worth an estimated £25 million, began six months ago and shortly before Bath's 4,000 members agreed to set up a trust company to administer the club along professional lines. Legal safeguards for both parties — requiring appropriate documentation — have kept the deal on ice since the end of last season.

It remains to be seen how much control Brownsword, the sixth millionaire to become involved in English club rugby, will exercise at the Recreation Ground where

Labour's Gurus
Sorry Tony, you've missed the point. Will Hutton and other Labour theorists set out their manifesto tomorrow in The Observer

July 1986

or bread
attered
r Benn

ton tough

Graf closes on one more title, page 8  
Halling eyes a second Eclipse, page 9

The Tour heads for the hills, page 10  
The gold rush begins at Bislett, page 11

# SportsGuardian

## WIMBLEDON: TENNIS TAKES ANOTHER RAIN CHECK



Somewhere over the rainbow Centre Court may catch up

Heavy downpours at Wimbledon interfered with another day's play, bringing a premature close to the men's semi-final where MaliVai Washington and Todd Martin had reached the fifth set. The match between Richard Krajicek

and Jason Stoltenberg was held over until today but Steffi Graf found enough clear sky to demolish Kimiko Date. She meets Arantxa Sanchez Vicario in today's women's final. Reports page 13, photograph Tom Jenkins

## Anyone for a corporate tennis lunch?



Paul Weaver

WE HAVE surely entered the era of designer sport when a hot ticket to Wimbledon, Wembley Ascot or Lord's is viewed as a fashion accessory. Sport has suddenly become smart. Politicians and pop stars are advised to "follow" a football club. John Major even wrote a sports column to tell us all about Euro 96, a tournament which under his management would probably have ended with a lost ball and a revolt by continental defenders.

stands visible behind him because they were the reserved seats. Next season, too, county cricket matches will start on Wednesdays instead of Thursdays. This is partly to avoid the Sunday League "sandwich game" but also to provide the sponsors, who have no interest in Saturdays, with another option. "It's not good for members or youngsters at school, who both enjoy Saturdays," says Essex's astute secretary Peter Edwards. "Now games could be over before the weekend." Sponsorship has saved many sports and sportsmen but now big events have become places to be seen, while the sport often goes unseen. The problem is that sport's greatest asset, its ability to cross barriers of age, gender, education and income — something politicians now realise — is being eroded. The true supporter is being left in the cold, sometimes literally, as the hot ticket becomes a badge of privilege. There were many of them in their sleeping bags on the pavements outside the All-England Club last week, preparing to queue all night in the rain for the chance of a Centre Court ticket. A few lucky ones got in on Wednesday when Henman was due to play Martin, but by the time the game was played on Thursday they had lost out to the ballot winners and corporate good-timers.

## England v India: third Test, second day

# England limit the damage

### Mike Selvey at Trent Bridge

INDIA, after a successful opening day and just when they should have been steaming merrily along towards a potential match-winning total, ran straight into a Barsegase Sea yesterday in the form of a more focused and purposeful England attack hell bent on stifling the innings.



Hard labour... Dominic Cork shows his frustration on a day when England were made to toil

pitch likely to become easier, it ought to have been sufficient to ensure that England save the match and so win the series. Sometimes it is the nastiest medicine that does the most good. On Thursday the England bowlers had taken such a clattering from Sourav Ganguly and Sachin Tendulkar that there was a real possibility of carnage yesterday. So credit must be given to the bowlers, who not only dismissed Ganguly without addition to his overnight 156 but admirably

restricted Tendulkar to 46 runs prior to lunch and then got rid of him after the interval for 177. There followed a torturous half-century from Sanjay Manjrekar, whose 54 took more than 3 1/2 hours, and it was only another composed innings from Rahul Dravid, who was last out for 84 and farmed the tail so successfully he could qualify for a subsidy, that saw India to 521. But the 234 he added yesterday — only 188 of them before tea — used up 77 of the day's quota of overs.

It did, however, leave Mike Atherton and Alec Stewart 11 overs to negotiate before stumps, a testing proposition against Srinath and Prasad, who have consistently been the best bowlers on display during the series. They managed it, reaching 32 — still 290 short of their immediate target of 322 required to avoid following on — but not without alarm. In the third over Atherton edged Srinath low to Dravid's left at third slip, where the fielder failed to cling on. Atherton, who seems to make more than his ration of noughts, had not opened his account at that point and, as he had given Tendulkar a life before he had scored on Thursday, will hope that India show him the same charity today. He finished unscathed with 21. At the other end Stewart had made 10, although he too was close to being dismissed when he got an inside edge to Prasad that flew over the top of his stumps.

David Lloyd, England's coach, admitted of the Atherton let-off: "It went at a nice height for a slip fielder, at just around the knee level. It was definitely a chance. I just hope he can cash in like Tendulkar." If the blustery conditions had partially explained some

ordinary bowling on Thursday, there was no such excuse yesterday and the seamers, worked hard by Atherton and given licence to adopt an attritional approach, responded excellently. Once more it was Chris Lewis, with three for 88, who came out with the best figures. But Alan Mullally bowled with enough pace to hurry good batsmen on a feathered, stuck to his task and emerged with the early wicket of Ganguly and two for 88 in all from 40 plucky overs while Mark Ealham plugged away and was rewarded with two wickets including a notable first in Tendulkar.

When play began yesterday England, realistically, would have known that the game was there to be saved now rather than won. Block the flow of runs and urgent frustrated batsmen, seeking to break out, can get themselves out. The first breakthrough of

### Scoreboard

Table with 2 columns: Team and Score. Includes scores for India (521), England (32), and individual player performances like Tendulkar (46), Manjrekar (54), and Dravid (234).

the day, however, came from first-class attacking bowling from Mullally, who bent his back, hit Ganguly a nasty blow on the right hand, and while it was still throbbing, pitched the next ball up and found the edge with Nasser Hussain taking a tumbling catch.

Tendulkar had been unable to find the boundary during the latter part of the 255-run partnership and it was 40 minutes before he managed to cover-drive Mullally, his first four in 32 overs. Cork will swear blind, and could summon the video evidence to support it, that Tendulkar, offering no stroke, should have been given out leg-before when 147. On the same score another vehement shout by Cork was also turned down, once more by the Sri Lankan umpire K T Francis, and the bowler's evident disgust was followed by booing from the crowd when the giant screen showed a replay. As Francis had made a sensible ruling on a marginal decision, it brought into focus the need for reasonable discretionary use of the facility.

With Manjrekar out of touch and entrenched, Tendulkar began to expand and had hit 26 fours in 177 — the pair adding 89 — when he tried to pull Ealham and succeeded only in sending the ball in a gentle parabola from the toe-end of his bat to Patel at mid-on. In years to come Ealham will tell of how he bounced out one of the world's great players. Only he will know how true that was. Tendulkar has made 35 first-class centuries now and none has exceeded his highest Test score of 179. With Tendulkar's dismissal, England seized the initiative and four overs later Azharuddin turned a ball from Lewis off his hip and

## Guardian COLLINS Crossword 20,698

A copy of the Collins English Dictionary will be sent to the first five correct entries drawn. Entries to Guardian Crossword No 20,698, P.O. Box 315, Mitcham, Surrey CR4 2AX, by first post on Friday, Solution and winners in the Guardian on Monday, July 15.

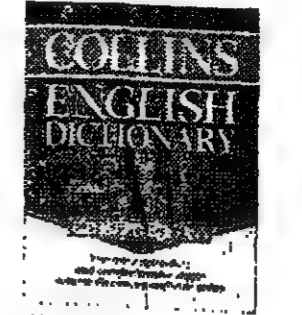
Name: \_\_\_\_\_ Address: \_\_\_\_\_

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Collins English Dictionary crossword grid with numbers 1-26.

Set by Buntborne

- Across: 1 See I down; 4 A lot of toil? Shame! (4,4); 9 One's absorbed in article on art of raising capital (6); 10 Sovereign with rot, pole and perch detailed at left perhaps (8); 11 Ignorance assumed with non-smoking characters (4-10); 14, 18 Ignored like Sutherland's 'Christ in Glory' once (4,2,8); 16 Here Aschenbach died; so pass the hat round (4); 18 Turn to satellite TV; hacked away outfit but revolutionary (10); 21 Policy linking Panama with South Carolina, Rhode Island and Maine, without a doubt (3-11); 23 The end opposite the 1 across (3-11); 24 Michelangelo's angel (6); 25 They fought for the old Trucial State railway (8); 26 The Modern Woman? 'e would agree! (6)
- Down: 1, 1ac Show support for string players (4-6); 2 Sacerdotal word from the law-giver's brother (7); 3 An extended farewell from Daventry? (4-4); 5 So Luther was seen, getting in the RC-Establishment hair



- (4-7) Hang on! This is no place for non-swimmers; no point! (6); 7 Transport provided to universal acclamation (7); 8 Almost terminate order to be French; let them keep their distance (5); 12 Self-possessed motorist (5-5); 13 I thought you got it! (5); 15 Young shaver gets to the top (8); 17 Old artistie stoppage of Drury Lane show, no? (3,4); 19 Influence found where Golding sought it at Salisbury (7); 20 "Tampo coat armor" bringing not a word from the family! (6); 22 Span 1 across to 23 (4)

Collins Crossword Solution 20,698 with filled-in grid.

YOUR ADVANTAGE. Special offer for shareholders. See page 34.

"Oasis seem to despise intelligence — Noel once quite proudly said that he's never read a book in his life... The idea of a leading cultural icon being proud of not reading is sad." Damon Albarn of Blur reckons he's the poet. Outlook page 17

Handwritten signature or scribble.

JOHN climate Sw SOO SUR shi

Saturday July 8  
Sunday July 7  
1996  
Page 13

# The Guardian Outlook

## JOHN MORTIMER can't wait for global warming to bring England a Mediterranean climate - if only he had enough faith in weather forecasters to believe it will happen

# Sweaty socks in the sun-dried shires

I HAVEN'T, I must confess, up to now just a great deal of sleep over the environment. It seems to me that we have a lot more to worry about than changes in the climate.

We should concentrate on the ills we might suffer, such as people sleeping in doorways, wages below the poverty line, mass sackings, usurious banks, bursting prisons, the death of history, the reorganisation of the BBC, microwave cooking, Muzak and Michael Howard, rather than creep about in a state of perpetual anxiety because of the unpredictable and uncontrollable progress of the weather. In consequence I spend much of my time in the company of those, mainly women, who smoke like chimneys. I have long ago given up the bicycle and get a great deal of pleasure from bonfires. It's a treat to burn the newspapers and see yesterday's disasters drift away in clouds of smoke across the garden. When the autumn comes they will smell even better.

Sometimes, of course, I feel guilty. Have I offended the environment by paying it so little attention? Should I not enjoy the gentle explosion of plastic bottles on the bonfire but put them neatly out in a separate bin for salvage?

Now the environment has shamed me by coming out with some absolutely splendid news. Before we know where we are, it seems, Henley-on-Thames will become as warm as Sienna. Those of us who can't live without repeated doses of sunshine may, in some happy future, be spared the agonies of Heathrow airport. We may simply be able to stay at home and bask.

The glad news, for who can doubt that the news is glad, was announced on the radio, as so many things are, by Mr John Selwyn Gummer. Mr Gummer's announcements, good or bad, are given in a voice of high-pitched anguish, so that he sounds like a Rover who has been given an apple pie sleeping bag by someone rather young and silly at Boy Scout camp. "By the year 2050," he told us, and I detected a note of complaint, "England could have the climate of the Bordeaux region."

It is, of course, disappointing. I may not be about in the year 2050. Anyway, it's not going to be nearly as good as Sienna. I have rarely been in the Bordeaux region when it wasn't raining, although the production of some really de-

licious Chateau Godealming might be compensation of a sort. Indeed, it always seems to be raining in the South of France, on that hideous coastline now given over to skyscraper flats, concrete hotels and fast food outlets.

Will we have to wait another millennium before England gets even as warm as Nice? But then the irritable Gummer cheered me considerably by saying that we will be growing "sunflowers and maize". Travellers to Italy will know that there is nothing more wonderful than a field of sunflowers, all turning their faces to the sun. Sunflowers are so beautiful that they drove Van Gogh mad. What an improvement they will be on oilseed rape.



Are siestas in Swindon or old people sitting out to watch the passeggiata so terrible?

Then Mr Gummer went on to warn other European countries and America, which he singled out as "the world's worst polluters", that "tougher actions to reduce greenhouse gas emissions would need to be agreed at the Climate Convention in Geneva next Monday." The suspicion came over me that he didn't want the deep South of England to become even as warm as Bordeaux and that the thought of sunflowers in England's green and pleasant land was as horrible to him as receiving a communion wafer from a woman.

And yet it is so terrible, the idea of southern England bathed in sunshine, siestas in Swindon and the young men and old people in Fulborough

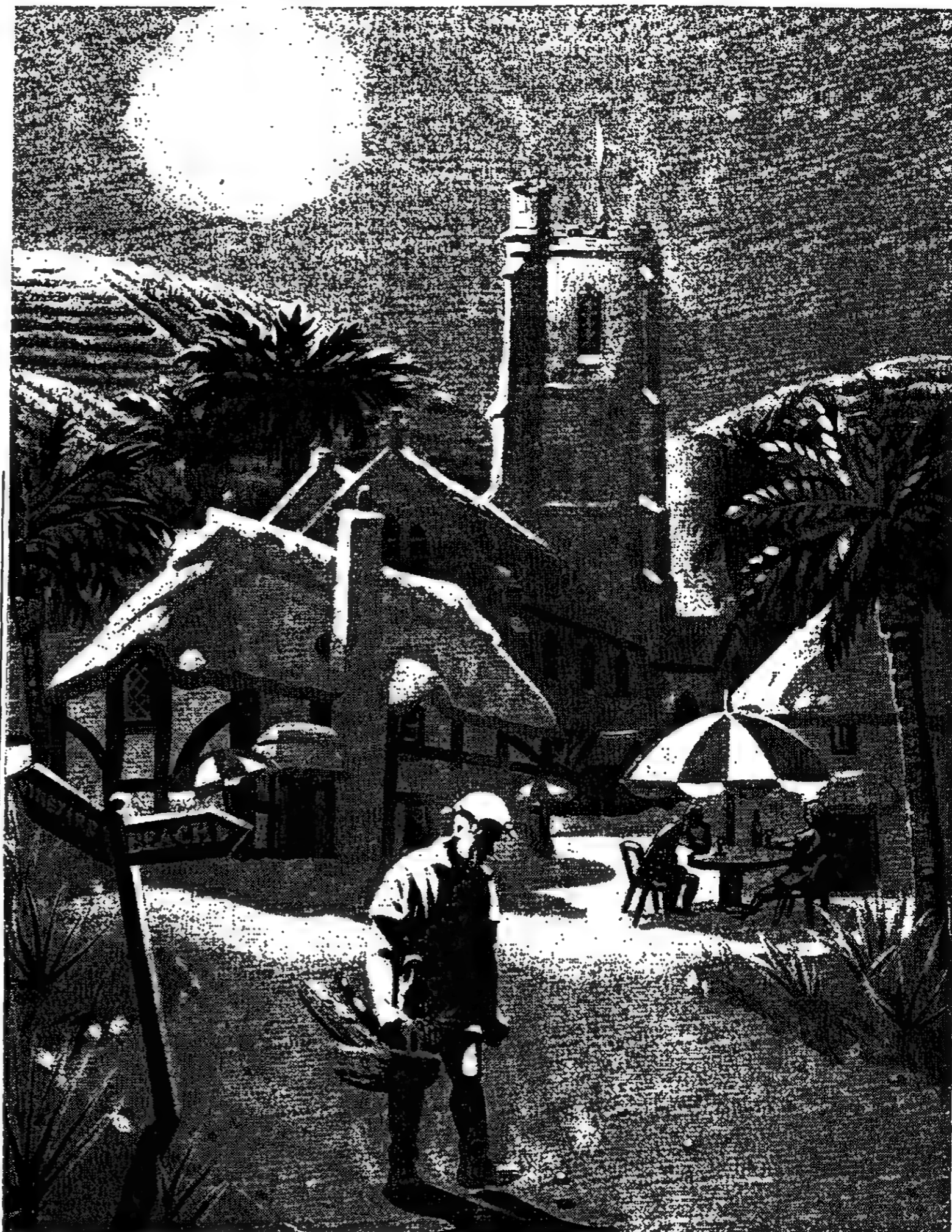
sitting on chairs in the shopping precinct to watch the passeggiata? Would it be ruinous if the English got to their offices before 10 o'clock in the morning, or worked as hard as Italians?

God knows what the sunshine might do for us. We might come to be fonder of children than we are of animals. Perhaps we don't want to see donkeys dropping from church steeples, but it would be nice to see extended families in restaurants, with two-year-olds welcome to stagger between the tables. Someone said the English climate, apart from being a constant topic of conversation, produced a stable government. This makes you wish global warming had come a bit more quickly during the past 17 Conservative years.

But into all our lives, say those who think lovingly of England as the home of rising damp, a little rain must fall. How can we live without April showers, apple blossom, pop fields and cows - if we have any left - in the shade of oak trees in green fields?

Mr Gummer has promised us that, too, when the Garden of England moves to Yorkshire. Perhaps the North won't be quite the same. Wordsworth might not have written his poetry if he had been striding through Sussex, and Wuthering Downs might be an inappropriate home for Beetheliff, but the chances of our getting another Wordsworth or Emily Brontë seem remote. In any event the climatic difference between Huddersfield and Henley doesn't seem sufficiently marked to cause even the narrow Gummer distress.

Professor Martin Parry of University College, one of the authors of the report on which these encouraging prophecies are founded, also, it seems, takes a gloomy view. It's true that it's going to be warmer and wetter in the North, so even the Yorkshire water board may run out of excuses and trees will flourish. But the Professor foretells an increase in cockroaches and diarrhoea, problems which British travellers have long since learnt to cope with, and the disappearance of mountain hares and ptarmigans. I should miss hares and I have nothing against ptarmigans, but we have managed to reintroduce red kites into one part of the Chilterns and I don't see why the North shouldn't do the same for grouse. It might all be worth it



A vision of Britain's sun-drenched future? "Before we know where we are Henley-on-Thames will become as warm as Sienna" ILLUSTRATION: NIAN ALLEN

to have wild boars snuffling round the beech woods, and being woken by sunshine and the sound of cicadas.

It seems that all these dramatic events began with the Industrial Revolution and the Victorians who, blundering through London pea-soupers, had no idea they were directing our country towards the tropics. If he could have seen into the future, Dickens would have had to open Bleak House, not with universal fog, but "Sun up the river... Sun down the river... Sun in the eyes and throats of Greenwich pensioners... The

Lord-High Chancellor ought to be sitting here as he is... with a sunny glory round his head." It's really not, in spite of Mr Gummer and the professor, a bad alternative.

And, in spite of the cross words of politicians and ecologists, it may be unavoidable. Even if Mr Gummer persuades the European Union to stop subsidising Greek tobacco growers and cajoles Europeans to travel in pony-carts or on roller-skates, if the Americans make smoking a criminal offence (which is quite likely), forgo gas guzzlers and ride stretch push-

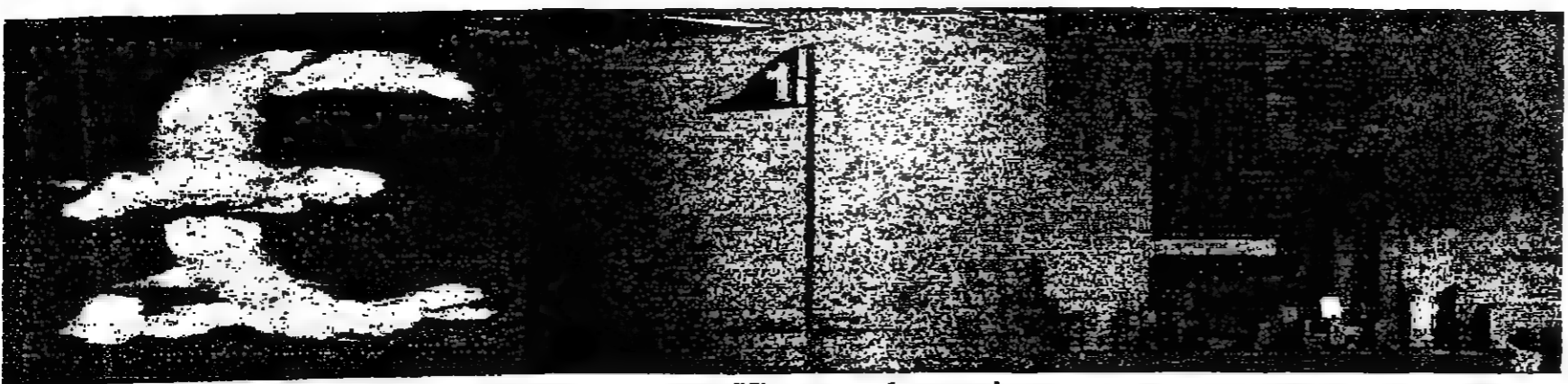
bikes, the great masses of India, Asia and the Far East will continue to smoke away the cares of poverty and go to work in splintaring, reeking trucks without friendly exhaust systems or unleaded petrol. If this is what warms us up, it will certainly continue to do so, and Mr Gummer may get very cross, but it will not make the slightest difference.

There is only one real cause for alarm. Weather forecasts are horribly unreliable. Last week we were told we would have monsoon-like rain and such a wind that the garden

furniture would take off like birds. In fact there was hardly any rain and the garden furniture was grounded. The weather seems to change its mind as often as John Major on Black Wednesday. And poor Michael Fish will never be allowed to forget the evening he said there certainly wasn't going to be a hurricane and all the trees blew over. Writing of such forecasts, it was Miles Kington who said: "Satellite photography in the seventies gave rise to the long-range weather forecast, a month at a time. This in turn gave rise to the

observation that the long-range weather forecast was wrong most of the time. In turn, this gave way to the dropping of the long-range weather forecast, and to the admission that really accurate forecasting could only cover the next day or two and not always then." I'm sorry to disappoint my children, but when they look out of the window in 2025 they may well see rain, green grass, lolling hares and not a single cockroach. And neither Mr Gummer nor I will be here to be pleased or cross about it.

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Ray Howard-Jones

# A life on the land's edge

RAY Howard-Jones, an artist of considerable but perhaps still under-appreciated talent, has died at the age of 93. She spent much of her long life struggling against what she experienced as the disadvantage of having been born a woman. She was a mess of contradictions, a very feminine woman who signed her work "Ray" (her Christian name was actually Rosemary) partly to disguise her gender. She was convinced that her technical abilities as an artist were as good as those of her male contemporaries such as David Jones, Michael Ayrton, John Piper and Graham Sutherland.

In the end, she had the satisfaction of seeing her work in public and private collections around the world. The one place where her work had always been thoroughly appreciated was in west Wales, in the old county of Pembrokeshire, where she spent half her life, rooted there like the lichen to the rocks.

She had an instinctive love for the natural world that stemmed from her childhood in Berkshire, where her father was a vet and had racing stables. Later she lived with a guardian in south Wales where she rode, swam, sailed, scaled cliffs, all with a determination to do anything a boy might do. By the time she was a teenager, the only thing that really mattered to her was her work, her painting and poetry.

At 17, she went to the Slade where her teachers included Wilson Steer and the formidable Professor Tonks. Her line drawing was admired as exquisite, fine and detailed and it earned this already frail and consumptive girl the challenging task of helping plastic surgeons to reconstruct the faces of men who had been seriously disfigured in the first world war. Her job, using old photographs, was to provide the surgeons with blueprints for their work.

Her real career as an artist, however, did not get going until she was nearly 40. First she had to cope with tuberculosis and a botched operation that left her in pain for the rest of her life. Then she had to care for ageing relatives. Between the wars she undertook archaeological drawings for the National Museum of Wales and also found time to work with Cardiff slum chil-

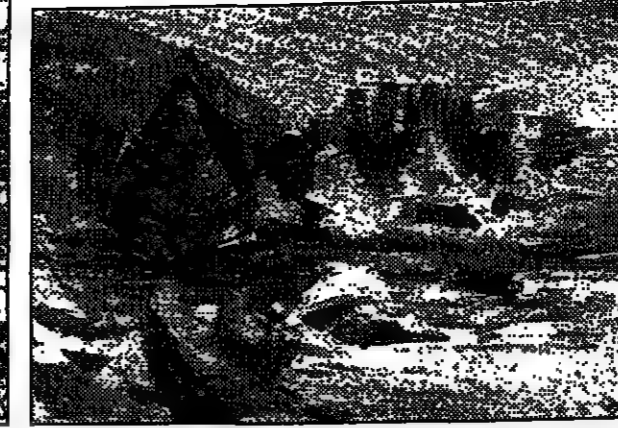
dren, using art to help them escape their dismal surroundings and circumstances. By the time of the second world war she was able to bulldoze her way into being one of the very few accredited women war artists, working on recording, among other subjects, preparations for D-Day. A collection of her work is in the Imperial War Museum.

After the war, she went to Pembroke, to the area she had fallen in love with as early as 1915, on a visit to Tenby. From then on, she spent much of her life there, alone or with the photographer Raymond Moore. She retained a London studio but lived and worked a great deal on Skomer, the island just off the Pembrokeshire coast which, largely through her efforts, is now a wildlife sanctuary.

## Lewis B Combs

### The last fighting Seabee

Far shores... left, Ray Howard-Jones on Skomer Island. Above, her 1944 painting, Building of the North Battery; below, Song of the Seas, 1960s. MAIN PHOTOGRAPH: ROGER WORSLY



THE extraordinary longevity of American second world war admirals has surely passed its peak with the death, aged 101, of Admiral Lewis B Combs, co-founder and deputy chief of the US Navy's Seabees. The always-busy Seabee (the acronym for Seabee Battalion) were in the vanguard of the advance across the Pacific, building airfields under fire in impossible places.

When the Japanese attacked Pearl Harbour at the end of 1941, Combs was second in command of the naval bureau of yards and docks under Rear-Admiral Ben Morel. The US Navy's Seabee Battalion (the acronym for Seabee Battalion) were in the vanguard of the advance across the Pacific, building airfields under fire in impossible places.



Helen Glatz, music-maker...

## Helen Glatz

### Music in the heart and head

IN THE late 1940s, Helen Glatz, who has died aged 88, arrived almost penniless at Dartington Hall, the west country school and community.

She was looking for Imogen Holst, who was then in charge of the music there. The two women had been students together at the Royal College of Music, and Holst, who had set up a course for rural music teachers, offered her a part-time job. There Glatz was to remain for half a century, teaching, conducting and composing.

Helen was a highly talented student, an RCM contemporary not only of Holst but of Elizabeth Maconchy, Elizabeth Lutyens, Thea Musgrave and Benjamin Britten. Taught by Vaughan Williams and Gordon Jacob, Helen was

awarded the Albert Medal for composition and a travelling scholarship to Hungary to study with Zoltán Kodály. Hungary changed her life. She found tremendous stimulation in the national folk music, and met and married its composer, his father was an artist, renowned for his paintings of Hungarian peasant life. Helen lived with the family in Budapest throughout the war and gave birth to her son, Christopher, there.

When the Red Army approached, she and the family fled to the mountains and live in cellars, while the battle for the city raged over their heads. She never talked about what was clearly a traumatic experience.

## Weekend Birthdays

Let's imagine Camilla Parker Bowles, 46 tomorrow, had been born photogenic as well as funny, sensible and robust of speech. That changes the story - It's then about a woman who recognised early that she had too much of a past to pass the moral exam into her boyfriend's weird family, and the boyfriend who dithered away his chance to marry her. A woman who made the reasonable best of life, according to the privately-relaxed

rules of the shires: married the second choice with diamonds in her hair, bred the children. Later she returned the boyfriend - still the same hopeless case - encouraged him to meet a nice girl, and when the NG proved even more neurotic than he was, supported him, mothered him and went back to bed with him. If she'd had camera looks or like her great-grandmother, mistress to Edward VII, lived in an era of retouched photographs

eter, 33, Prof Gordon Conway, vice-chancellor, Sussex University, 28, Barbara Cox, a deputy speaker, House of Lords, 50; The XIVth Dalai Lama (Gyasto Terzin), 61; Alan Freeman, disc jockey, 68; Peter Glossop, baritone, 68; Sir Timothy Harford, chairman, Kwik Save, 64; Jeff King, jockey, 35; John Makepeace, furniture designer, 57; Mary Peters, athlete, 57; Cathryn Pope, soprano, 38; Jonathan Porritt, ecologist, 46; Pajares Ramon, managing director, Savoy Group, 61; Nancy Reagan, former US

First Lady, 73; Jennifer Saunders, comedienne, 38; Sylvester Stallone, actor and director, 50.

Tomorrow's other birthdays: Michael Ancram, MP, minister for Northern Ireland, 51; Brenda Bruce, actress, 74; Pierre Cardin, fashion designer, 74; David Cope, director, UK Centre for Environment and Economic Development, 50; Richard Fries, Chief Charity Commissioner, 58; Jeremy Goscutt, rugby player, 31; Michael Howard, QC, MP, Home Sec-

retary, 55; Prof Tom Husband, mechanical engineer, vice-chancellor, Salford University, 50; Tony Jackson, golfer, 52; Glensy Kinloch, MEP, teacher, campaigner, 52; Hamish MacIntyre, mountaineer, 66; Gian Carlo Menotti, composer, 85; Alessandro Mendini, racing driver, 37; Bill Oddie, actor, comedian and ornithologist, 55; Suzanne Romanie, Merton Prof of English Language, 45; Sir Steven Ruddiman CH, historian of Byzantium, 93; Ringo Starr, former Beatle, 56; Alan Walker, cricketer, 34.



## Face to Faith

### God forgives if we forget

Maggie Rich

I WAS wondering what happened to faith if there was a failure of memory. "I can tell you," said my husband, who has a profound amnesia as a result of viral encephalitis. "It goes."

But is it really as simple as that? My husband, who was ordained into the Anglican church in 1968, has no memory of that occasion, or of working in Holy Orders. But when he attends church, it is evident that the communion service still runs deep within him and that ritual is a comfort of sorts.

Yet he frequently does not want to go. When you or I hesitate, we can call to mind reasons for stepping through the church door. Perhaps we children to follow so that they more easily have recourse to the Church in times of need. We may know from past experience that it is when we have most need of it. Or we may recall times when we have gone to worship feeling totally "switched off" to God but been blessed with amazing surprises of the Spirit. If memory fails, none of these prompts is available.

When I point out to Nick as evidence of this continuing faith the fact that he never remains cold throughout a service, and indeed has frequently been moved to the point of tears, he explains this away as an emotional response to music and words that remind him of happier times. It is for non-believers to say that faith is built on just this, an intense response of the

emotions and nerves to aesthetic stimulus. But believers know that faith comprises much more, lying somewhere behind emotional response and scientific explanations of causal operators in the brain that cause us to look for God - and find Him as Aristotle's Fast Mover Unmoved.

Faith is given to us; it is not something that we can simply claim because we want it. For some, faith comes easy, yet runs deep and strong; others, desperately seeking it, find it eludes them. In some people it grows slowly, in others it arrives as a sudden shell-burst of fire and spirit. Whichever, it will not remain a static or one-sided affair, however much we might like it to. Having met God and recognised Him, life goes on and needs to be lived in the light of that faith, or else that faith is meaningless. If faith is not reinterpreted and realised in our lives, it is not practised, it will die out. That practice is our contribution to the relationship.

But how can we respond when memory fails? Without any sense of the continuity of time, how can any relationship with God develop? God may be beyond time, but we are not. How can we build up our faith, how prevent it fading away through lack of practice, if we have no memory with which to nurture it?

## Doonesbury Flashbacks

BY GARRY TRUDEAU

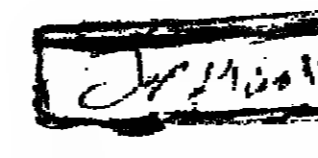
UN-OH! CHARACTER BEER IS AGAINST OVER, AND HE STILL HATE THE PARS TO GO BUBS NEIL HING TO GET FAIRNESS!

THAT JUST LEAVES CITIZENSHIP ESSENTIAL TO THE FUNCTIONING OF ANY SUCCESSFUL COMMUNITY AND NATION...

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YOU DID IT! YOU GOT FAIRNESS IN THESE VALUES!



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# Money Guardian

## Counting the cost of justice

Radical changes in the legal aid system mark a drastic shift from its original principles. Barrister RICHARD COLBEY reports

LEGAL aid received more media attention this week than at any time in its 47-year history after the Lord Chancellor introduced a White Paper proposing radical changes to a system overshadowed by recent highly controversial court cases.



Cyril Smith... Ill advised?

The previous day, in Parliament, a minister made an unprecedented condemnation of the grant of legal aid in a specific case. Cyril Smith is suing doctors for telling him he only had three months to live more than three years ago, a case that has received almost as much attention as the White Paper itself.

Legal aid received more media attention this week than at any time in its 47-year history after the Lord Chancellor introduced a White Paper proposing radical changes to a system overshadowed by recent highly controversial court cases.

little sympathy. Many lawyers and advice agencies had hoped the White Paper would remove the anomalous exclusion of industrial tribunals from legal aid, but this was successfully opposed by ministers advocating employers' and industry interests.

The White Paper also deals with financial eligibility for legal aid given the present exclusion of people with a disposable income of £7,187. There may be some relief for those whose income is only just above the £2,425 level - when contributions kick in. But the level of their contributions may be reduced at the expense of those nearer to the eligibility threshold.

This fine tuning does not address the fundamental concern that a person with an income of say, £2,000 cannot realistically be expected to fund any but the simplest litigation.



Case for the prosecution... Even those on income support will have to pay £10 towards legal costs, which solicitors may be tempted to pay for them

taken into account. This will only apply where the value of the home, after any mortgage, is £100,000. In London, at least, £100,000 houses are often quite modest. Retired people may be particularly affected, in ex-

the other side's costs if they lose. This follows the proposed abolition of the rule that normally prevents courts ordering them to pay the other side's costs.

The Lord Chancellor has highlighted the unfair results this rule can sometimes have on those who successfully defend actions against legally aided people.

### There is concern that the proposed changes will make it more difficult to take action against the police

Some six million people already have legal expenses insurance of some description. In most cases, it will have been added to their motor or household insurance policy. For an extra premium of £12.50, for example, Direct Line through DAS will tack on legal insurance to your motor cover to insure you against up to £25,000 legal costs incurred following a road accident. For a few pounds more, an add-on to household insurance can cover personal injury claims, consumer complaints, actions against neighbours and an area not covered by Legal Aid, disputes with employers. Norwich Union's household add-on, offered through Hambro,

trains cases facing the stark choice of abandoning their claim or losing their home. Even those who do obtain legal aid may face such a risk because they may have to pay

The present law does, in the case of abuse, give a power - rarely exercised - to judges to make a costs order. The "reforms" could have a devastating effect in the case

## Insurers ready to fill breach if budget is cut

GOVERNMENT plans to let insurers pick up the cracks left by a shrinking Legal Aid budget have been attacked by the Law Society, which has warned that exclusions in current legal expenses policies would rule out the bulk of the cases funded by Legal Aid.

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Lord Mackay... Investigator

costs £12.00 a year for £50,000 of cover. However, claims on motor and household add-on legal policies are usually capped at between £25,000 and £50,000. Nor does cover guarantee the insurer's support. Before allowing a policyholder to pursue a legal action, the insurer will examine the case to see if the policyholder has a chance of winning. If not, the insurer will not back the case. Most add-on policies are

"before the event" insurance - you cannot claim under a legal expenses policy for a problem which existed before the policy was taken out, or which arises within the first three months. However, a handful of specialist legal expenses insurers, such as Greystoke Legal Services, insure the policyholder after the dispute has taken place. But if the case is lost, the insurance will help to pay the other side's costs. Any damages won are the policyholder's to keep.

Stand-alone policies are relatively expensive - Greystoke's Law Assist policy covers £5,000 of legal costs for a premium of £250 - and most exclude divorce cases, building disputes, defamation actions and debt collection cases.

lem with stand-alone policies because they attract a disproportionate number of litigious individuals and that has a negative effect on the cost and scope of cover. Mr Walkman believes the only means of ensuring that litigious individuals are not allowed to distort the affordability and width of cover for others is for the Government to encourage legal expenses cover as an employee fringe benefit by offering tax incentives to employers.

LEGAL expenses insurers are also calling for tax relief on premiums to stimulate wider interest. Insurers admit that the take-up of stand-alone policies in recent years has been poor. More than a dozen policies were launched in the 1980s, but the number has dwindled to just a handful. The Association of British Insurers (ABI)

says this week's Legal Aid changes have not been sweeping enough to encourage more people to take out legal expenses insurance. However, most legal expenses insurers have welcomed this week's White Paper as an opportunity to broaden their policies. Another "after the event" insurer, Litigation Protection, has met Lord Mackay to discuss its idea of mixing private and public funding. Legal aid cash would be used to pay for the initial investigation of a case, which would then be considered by the insurer, which would decide whether or not to fund the action on a no-win no-fee basis.

Few banks are willing to lend money to fund legal action but, in October, Litigation Protection will launch a "litigants' investment fund" to provide loans.

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CLIFF JONES finds an insurance umbrella

Take cover against rain on your parade

NOT everyone can rely on Cliff Richard to keep the show on the road when rain stops play — as it did at Wimbledon this week.

Organisers of outdoor events over the weekend must instead keep their fingers crossed for good weather lest rainfall keeps the crowds away. But those planning outdoor concerts or parties can hedge their bets by insuring against bad weather or cancellation. Plusvius Insurance, named after the Roman god of rain, pays out if events are rained off and end up losing money.

People can also insure against the cancellation of a celebrity appearance. Members of the audience might well ask for their money back if they have turned up to an event to see a star speaker who then fails to show.

Eagle Star's Plusvius policy pays out for expenses incurred due to adverse weather conditions. These can include lack of rain, which may affect events such as fishing or water sports, high wind,

which could prevent a hot-air balloon launch — or no wind, which could lead to the postponement of a sailing event.

One of its policies covers light rainfall leading to a reduction in income. The amount insured depends on the volume of rain as monitored by the Met Office or the local water authority.

Organisers who are insured by Eagle Star can recoup 20 per cent of their costs if between 0.05 inches and 0.1 inches of rain falls during the insured period. This increases to 50 per cent if it showers up to 0.15 inches and the insurer will bale out 100 per cent of organisers' costs should there be more than 0.15 inches.

So a three-hour event in London and the South-east costs £190 for £2,000 worth of cover. In Manchester the same event would cost £220, and in Keswick £282.

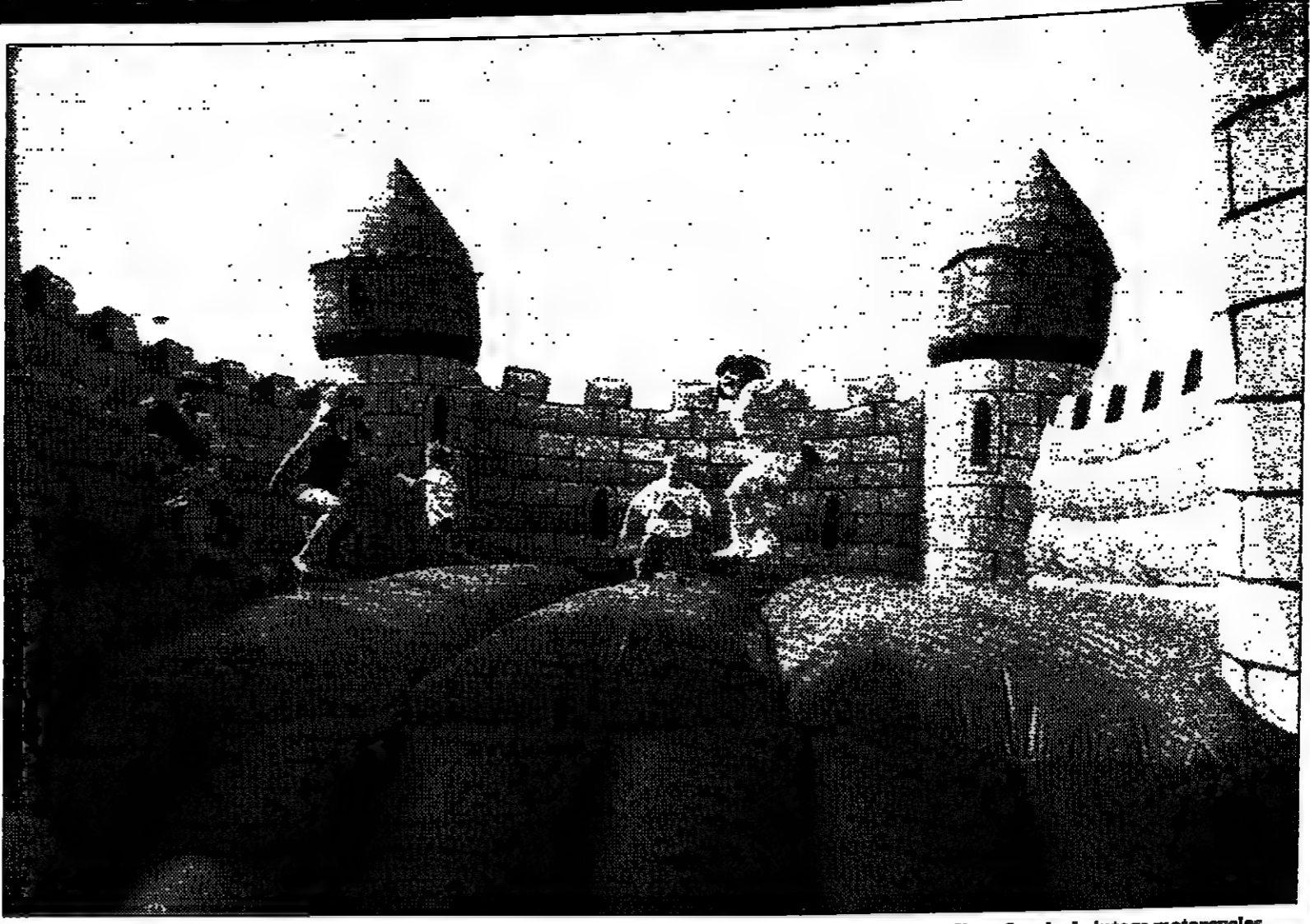
Independent Insurance runs a similar scheme called Special Events Insurance with similar terms. Cornhill offers public liability insur-

ance in case anyone should injure themselves. The insurer has three classifications of risk associated with the event.

"Safe" events such as bar mitzvahs or garden parties cost £70 per £1,000,000 liability to insure for one day. Higher up on the risk scale, an athletics event would cost £80 per day for the same amount of cover. Higher-risk events such as traction engine rallies or large raves cost £100 per £1,000,000.

Organisers should think carefully about insurance even if there seems to be little risk associated with the event. Mark Bishop, Head of Corporate Affairs at Cornhill Insurance, recalls an incident at a charity fête which caused the company to pay out thousands of pounds when a bouncy castle blew away.

He says: "The wind blew the castle off its tethers with several children in it. There were no injuries, but the castle crashed into a row of vintage motorcycles. A domino effect meant that a lot of bikes were damaged."



Castles in the air... At one fête, a children's bouncy castle took off in the strong wind before smashing into a line of parked vintage motorcycles

Investors join queue in unlikely hope of a supermarket bargain

Rachel Baird

SHOPPERS are lining up to own a piece of supermarket chain Somerfield. Some 80,000 people have registered their interest in its share offer so far.

Somerfield has 609 stores around the country, mainly concentrated in the South-west, Scotland and East Anglia.

In the last full financial year (to April 1996) the company made pre-tax profits of £23 million, up marginally from £22.7 million. But on Monday Somerfield will reveal what it hopes will be a much healthier performance in the year to April 1997.

Chief executive David Simons expects a continuation of the trend established during the half-year to October 1996, when profits jumped by about 40 per cent. He says he and his fellow directors will be investing "very sub-

stantially" in the company. But should the rest of us? Supermarketing is a painfully competitive business at present, with the rash of "loyalty cards" and a recent fall in Sainsbury's profits as evidence of the battle for custom.

The future for retailers is not as rosy as it was five years ago, warns Lloyds Bank Stockbrokers assistant managing director Giles Galbraith. To make matters worse, he believes Somerfield "is not of the same quality" as Tesco, Sainsbury's and Asda. This will damage profits, says Mr Galbraith.

Unless its shares are sold at a discount to those of the major supermarkets, the offer is "not going to be particularly exciting", with no large in-

stant profit for small investors, he warns.

Lloyds Stockbrokers is not advising clients to buy Somerfield shares although the broker might do so if the offer is made more attractive.

In Somerfield's favour, the food industry is a "relatively defensive area" because people have to eat even when times are hard. There are unlikely to be sharp falls in demand, Mr Simons admits that Somerfield's profits relative to its sales are low.

People must apply for shares before they know this — it will be declared after the share offer period has closed — but they can specify a maximum price above which they do not want shares. The minimum investment is £1,000.

At least a fifth of the shares are being reserved for small investors. Those interested in the issue should register with one of six share shops — including Barclays Stockbrokers and Skipton Building Society — which will not charge for their service.

Share shops will send out mini-prospectuses and share application forms next week. These will indicate an expected price range for shares, although not the final price.

Legal & General has also slashed the cost of entry to its unit trusts by abolishing initial charges of up to 6 per cent. This means that all investments attract growth from day one. The company estimates that in the first five years of a £10,000 investment, an investor could be in for an extra £805.

This week's new trust launches include a smaller company Japanese fund from Waverley, Kleinwort Benson has cut the initial charge on its recently launched India fund to 3.5 per cent.

ACCOUNTANTS Moores Rowland this week warned that UK residents who move abroad to work after being made redundant are likely to be taxed on any severance pay they receive.

The Court of Appeal has confirmed an earlier ruling in the High Court that a non-UK resident was required to pay tax on a redundancy lump-sum received from an employment which terminated in April 1984.

THE Co-operative Insurance Society this week pledged not to increase its home and insurance premiums before October 1997. Elsewhere, Lloyds Bank claims that the cost of its average building insurance policy has fallen by 20 per cent over the past two years.

The Woolwich has launched a new five-year guaranteed growth bond which provides an increasing return. The bond, with a minimum investment of £1,000, pays net returns of 4.8 per cent during the first year, 5.2 per cent during the second year, 6 per cent during the third year, 6.8 per cent during the fourth year and 8 per cent during the fifth year.

NatWest has increased the interest on its two-year Personal Savings Bond — up to 5.2 per cent net.

THE Building Societies Association has produced a useful leaflet explaining how to ensure you are getting the most from your savings.

It explains how building societies charge interest and how that interest is taxed. It also outlines how to avoid paying tax if you are not liable — and how to claim overpayments.

The leaflet is available from the BSA, 3 Savile Row, London W1X 1LP by sending a stamped addressed envelope.

THE Consumers' Association has published a new guide, Giving and Inheriting, which aims to help the six out of 10 adults in Britain who have not made a will to consider arranging their financial affairs before they die.

Charge cuts to tempt savers

Cashpoints

FLEMINGS, the UK's largest investment trust manager, is to cut all charges to new investors in its Investment Trusts Share Plan for regular investors.

The share plan allows investors to buy into a range of 21 trusts and to switch between the trusts free of charge. Shares will be held in a nominee account.

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Degrees of debt grow for undergraduates

Rachel Baird

TYPICAL student debt has jumped by nearly a third over the last year to £1,582 with 35 per cent of students forced to work during term-time to buy basic necessities, Barclays Bank said this week.

And its survey of 1,500 students showed a sharp rise in the proportion who say they are concerned about their debts — up from 10 per cent in 1995 to 18 per cent.

Almost a third say they are "resigned" to their debts, while 29 per cent feel pleased or unconcerned about them. Four-fifths of all students were in debt.

Student loans account for by far the biggest slice of debt, representing 67 per cent of the money owed. Debts to banks make up 18 per cent of average borrowings.

Yet the proportion of students' debts owed to banks has fallen from 26 per cent in 1992 to 18 per cent in 1996 — although the actual amount has risen to an average of £356.

Students are seen as good potential customers, earning as they do relatively high salaries once they have graduated. Almost three-quarters of those in the Barclays survey said they would stay with their current bank after graduating, up from less than half in 1993. So banks are keen to attract students and Lloyds, Midland and NatWest

Accounts on offer

Bank	Interest free overdraft	Incentives
Lloyds	1st year £500 2nd year £750 3rd year £1,000 4th year £1,250 5th year £1,500	A Young Person's Railcard (worth £16) & £20 Virgin Megastore voucher or £30 cash
Midland	1st year £750 2nd year £1,000 3rd year £1,250 4th year £1,500	£10 free calls on BT chargecard and £40 credit
NatWest	Up to £1,000	£20 cash

have already launched their student accounts for 1996-97.

The Midland's student package includes a £40 cash gift plus £10 of free calls on a BT chargecard. Interest-free overdrafts of £750 are available in the first year, £1,000 in the second and £1,250 in the third and any subsequent years of study. The interest rate for borrowings beyond these amounts is 1 per cent above the bank's base rate.

There are no overdraft fees for two years after graduation.

NatWest's student package includes an interest-free agreed overdraft of up to £1,000 and a cash gift of £20 for first-year undergraduates who open an account between now and November 30. There is also a free Visa card (subject to status) for three years and a £15 cashback on first use before November 30. The interest charge on debts above the £1,000 overdraft is an annual percentage rate (APR) of 9.3.

Interest charged on agreed overdrafts above the standard interest-free amounts is 7.9 APR. There is a package for graduates including an interest-free overdraft of £700 in the first year after graduation and £350 in the second.

Lloyds has recently launched an account for sixth-formers, the 1619 account. It gives them a cashpoint card, cheque book, cheque guarantee card at bank managers' discretion and monthly statements, plus a £10 voucher for HMV or River Island.

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# Pension schemes leave women out in the cold

Andrew Verrity and Teresa Hunter

**T**HE scale of discrimination against women in the workplace was highlighted this week by the disclosure that only two out of every 10 females aged between 25 and 64 are members of company pension schemes.

The degree to which women are excluded from the privileged club of employees with attractive pension expectations was revealed for the first time in the most comprehensive survey ever conducted by the Department of Social Security on women's pensions before and after divorce.

It coincided with a DSS forecast yesterday that the gap between better- and worse-off pensioners would "increase significantly" over the next 30 years. In a report analysing pensioner incomes to the year 2025, the DSS concluded that the basic state pension will reduce in importance and only those with the fattest pensions will see their buying power keep pace with inflation.

This makes more alarming the disclosure that even among younger women—aged 25 to 34—fewer than 30 per cent are members of occupational pension schemes, as are only 14 per cent of 55- to 59-year-olds.

Fewer than half of all females—only four out of 10—have pension savings of any kind apart from their basic state pension and only 15 out of 100 have made private provision through a personal pension.

But actuaries and pensions professionals are already gunning for Labour's new pension policy which promises to equalise women's pension incomes. They warn that men's retirement income could come down by up to 13 per cent, while women may not benefit.

Labour last week announced a policy of giving women equal pension income for equal contributions, meaning the same pot of pension money buys the same income.

Because women live longer they currently get an annual income up to 13 per cent less than men when they use their pension fund to buy a retirement annuity, which pays a guaranteed income until the pensioner dies. This is because the providers of annuities expect to pay out for longer because of women's

longer life expectancy. But insurance companies and actuaries say Labour's proposals will force them to pay men the same income as women.

Watson Wyatt's actuary, Nicola Footo, says: "Men should get higher incomes from annuities than women simply because they don't live as long. Women are going to live longer so they should expect less annual income; the policy does seem unfair on men."

At present, a man aged 65 can buy an annuity that pays £11,612 a year with a pension fund of £100,000; a woman aged 65 with the same fund will get £10,148—12.6 per cent less.

Labour hopes to equalise that by using unisex annuity rates which ignore the differences in life expectancy. Theoretically, they would give an income based on an average life expectancy of women and men. But actuaries warn that annuity providers would initially be forced to set the new unisex rates at the present women's level rather than a mid-point.

**M**IKE Pomery, deputy chairman of the pensions board of the Institute of Actuaries, says: "If a company were expecting 50 per cent men and 50 per cent women to buy its annuity they could pitch the annuity rates between the two; but insurance companies have no way of knowing how many women would come in or how many men or women will buy annuities from them, and how many will decide not to buy their annuity and find better pension incomes elsewhere."

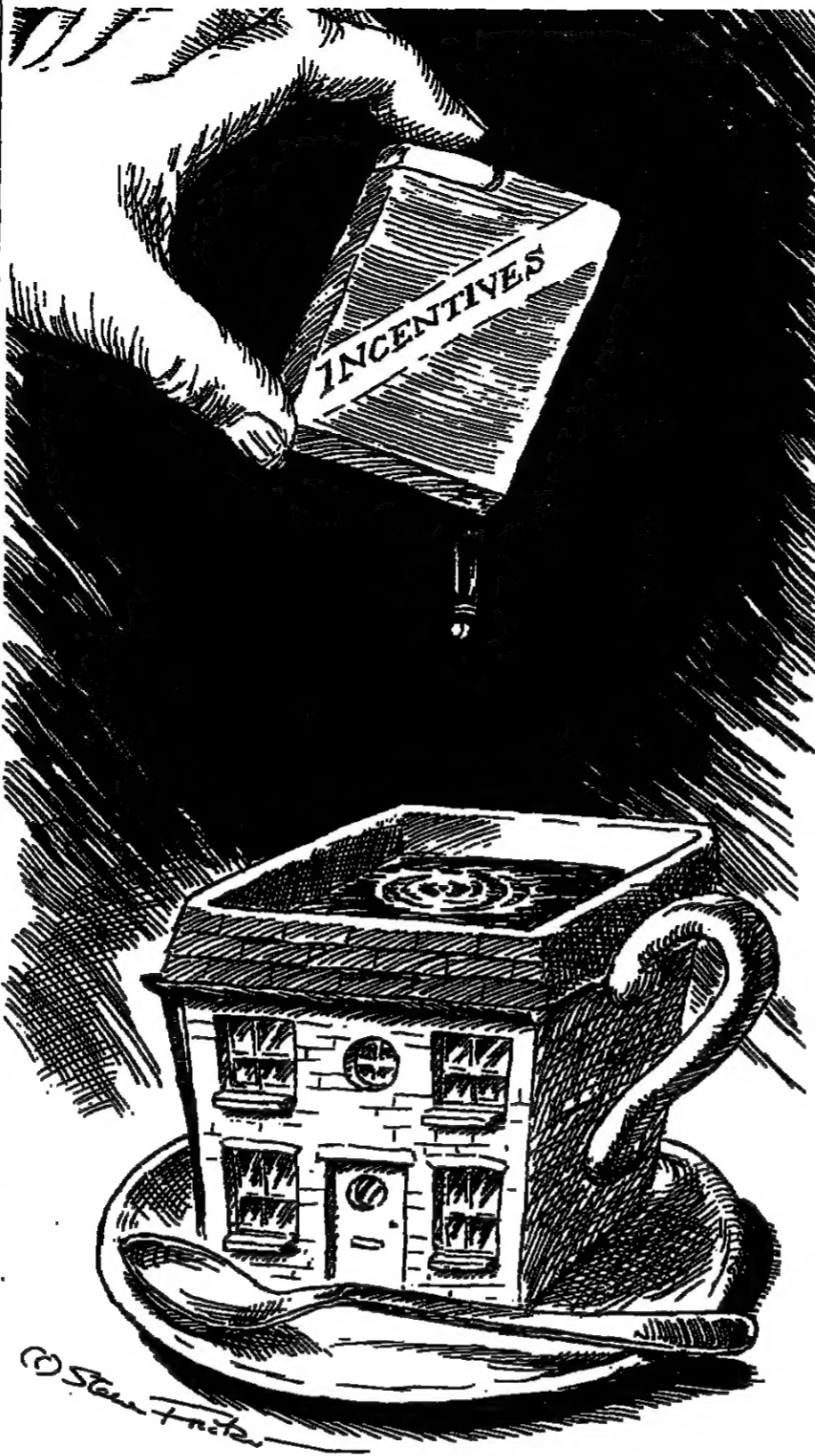
"Too many women and too few men on their books would mean they could lose a lot of money. Instead they would use current female rates, letting men suffer without women gaining."

Unisex annuity tables are already applied to compulsory pension schemes such as Serps—the state earnings-related pension scheme. Members of large final-salary pension schemes, such as those for teachers, civil servants and NHS workers, would also be unaffected by Labour's policy because they do not have to buy annuities.

According to some actuaries the annuities market may eventually set the new unisex annuity rates to give a higher level than women now receive but would still give lower incomes to men than at present.

Lenders have signalled the end for discount mortgages and cash-back deals. RACHEL BAIRD reports

# Sweeteners to be dissolved



**T**IMES are getting tougher for home buyers, with lenders cutting back on mortgage discounts.

On Monday, the Britannia will follow the lead given this week by the Cheltenham & Gloucester and Bradford and Bingley by tightening up on home loan giveaways—and the Birmingham Midshires plans to follow.

Britannia has withdrawn its one-year discount rate mortgage—which cut the standard rate by 4.75 per cent—and its one- and two-year discount rates for first-time buyers. The terms of other discounts across its entire range are also now less attractive.

The moves follow Bradford and Bingley's recent withdrawal of all its one-year discount mortgages, and Cheltenham & Gloucester's restrictions on the availability of its cash-back and discount mortgages. C&G claims "the industry's current level of incentives is unsustainable".

The C&G had paid new borrowers with a 10 per cent deposit a cash gift of 3 per cent of the loan up to a maximum of £7,500. But now only borrowers with a 25 per cent deposit can qualify for such big discounts—or for a first-year discount. Borrowers with a deposit of between 5 per cent and 25 per cent can now benefit from a 2 per cent cash gift up to a maximum of £4,000.

Discounts were only possible if lenders imposed heavy penalties on borrowers repaying their mortgages early, said Britannia's head of lending, Gerald Gregory.

Furthermore, cash-backs and discount mortgages are offered to new borrowers at the expense of existing customers, who are subsidising the incentives, according to the Consumers' Association magazine, Which? Britannia's revamped mortgage range includes a new five-year discount loan, which offers a discount of 1 per cent on the standard variable rate of interest charged on a mortgage for up to 90 per cent of a house's value.

The largest building society, Halifax, attempted to withdraw cash-back mortgages but competition from other societies forced it to re-introduce them in January. Concern about discounts and cash-back mortgages follows Bank of England warnings that lenders must be careful about the terms on which they do busi-

## Where to look

	Rate %	Period	Fee
<b>Long-term fixed rates</b>			
Coventry BS	6.75	to 1.3.01	3%
TSB	8.45	to 30.4.06	£250
Chorley & District	6.99	for 5 years	2.5%
<b>First-time buyers' fixed rates</b>			
Bristol & West	0.95	to 30.6.97	£275
Northern Rock	7.45	to 1.8.01	£295
Lambeth BS	4.19	to 1.9.98	£295
<b>Capped rates</b>			
Barclays	3.75	to 30.4.97	£100
B'ham Midshires	7.99	to 1.7.01	£295
<b>First-time buyers' discounts</b>			
Halifax	5.63	to 30.9.01 (disc 1.35%)	—
Northern Rock	0.99	to 1.9.97 (disc 6%)	£295
Greenwich BS	4.19	for 3 years (disc 2.80%)	—
<b>Other discounts</b>			
B'ham Midshires	5.35	to 1.1.01 (disc 2%)	£295
Northern Rock	0.99	to 1.8.97 (disc 6%)	£295
Mercantile	5.24	to 1.1.01 (disc 1.5%)	£195
<b>Incentives on standard variable rate</b>			
Bristol & West	6.99	—	£100
Cash-back — 4% of advance, max £7,500	—	—	—
Halifax	6.99	—	—
First-time buyers only: 5% of advance rebated (max £10K) plus £300 for legal costs plus free valuation (up to £405)	—	—	—

Source: Moneyfacts

ness and the way they account for it.

For people seeking out the best mortgage deals, Moneyfacts identifies the Bank of Scotland, Leeds & Holbeck Building Society, NatWest Mortgage Service and TSB as offering some of the best long-term fixed-rate deals. All four are offering fixed rates of around 6.5 per cent until 2006.

Three new mortgages came on to the market last week. Lloyds TSB Group's Mortgage Express service launched the Investment Mortgage, for people wanting to buy property as an investment. The minimum loan is £15,000 rising to a maximum of £50,000. The maximum loan to value is 75 per cent, at which interest of 1.5 per cent above the bank base rate is charged.

Norwich and Peterborough

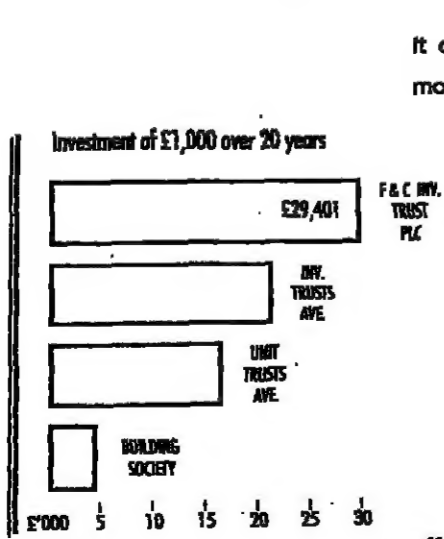
has launched a mortgage offering a 2.5 per cent discount for one year, for new customers who put down a 15 per cent deposit. Its current mortgage rate is 6.74 per cent. There is a free standard valuation and no up-front fees. Up to 85 per cent of the valuation or purchase price can be borrowed.

Staffordshire building society has launched a "loyalty mortgage" rate of 6.75 per cent for all home loans completed before January 1, 1991. The rate is discounted from the society's standard variable rate of 6.96 per cent and will help some 20,000 people, said the Staffordshire. Another sensitive issue for building societies was raised by reports that the Halifax is facing court action about the way it calculates interest payments on repayment mortgages.

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# Schroders

Leading institutional investors may shun shares in privatised British Energy as overpriced and too risky

Saturday Notebook

Shortfall taxes  
Clarke credibility

Simon Beavis and Chris Barrie

Big City investors are threatening to shun the forthcoming sale of the nuclear company, British Energy, complaining that the flotation was too risky and overpriced.

by the Government's advisers, BZW, who last night insisted that the issue was progressing smoothly with enough indications of interest to cover the issue.

Another fund manager questioned claims that British Energy would be a strong cash generator, arguing that the management seemed already to have decided to invest the cash in non-nuclear diversification, for example in gas-fired generation plants.

Small investors could be paying a second instalment of anything between 180p and 220p. But BZW said it has received enough offers from institutions to cover the allocation of shares reserved at between 200p to 230p in the first two days of an international book-building exercise.

dividend payments following its decision to include six specific health warnings about factors which could lead it to cut the payout.

It was rare to find such unanimity or such detailed questioning of a company's fundamental value.



Edited by Mark Milner

FORGET the feelgood factor for a moment. Any finance minister whose party has a date with the electorate in the not-too-distant future would like to bolster its prospects with something a little more substantial.

So far so good, and Mr Clinton has done just that. He has not only shown the voters that he is in control, but also that he is serious about the economy.

Mr Clinton's careful choice of words, America's economic growth, he said, was "the most solid in a generation".

Such care would indicate that Mr Clinton does not want the Fed to act precipitately. Even here, however, the calculation is a fine one. If the Fed were to act now, it might be content with a rise of 25 basis points.

But, if the notion takes hold that the weak case in the recovery side of the Government's financial balances will not suddenly disappear as a result of a couple of years' better-than-expected growth, but that the causes are rather more deep-seated, they may want to charge a little more for their money.

One of the benefits that supporters of monetary union point to is the impact a single currency would have on interest rates. On the assumption (and it is a pretty big one) that the euro would command similar respect to that enjoyed by the German mark, then the interest rate premium that investors demand for holding (say) UK gilts or French bonds over comparable German government securities would disappear.

Hardly the best of reasons for signing up for the single currency, however.

Cautious Clinton

ACROSS the Atlantic Bill Clinton is facing a different set of dilemmas in the run-up to the presidential election.

The latest non-farm payroll data yet again showed that the US economy is creating jobs at a rate that has, over the past few months, consistently outstripped analysts' forecasts.

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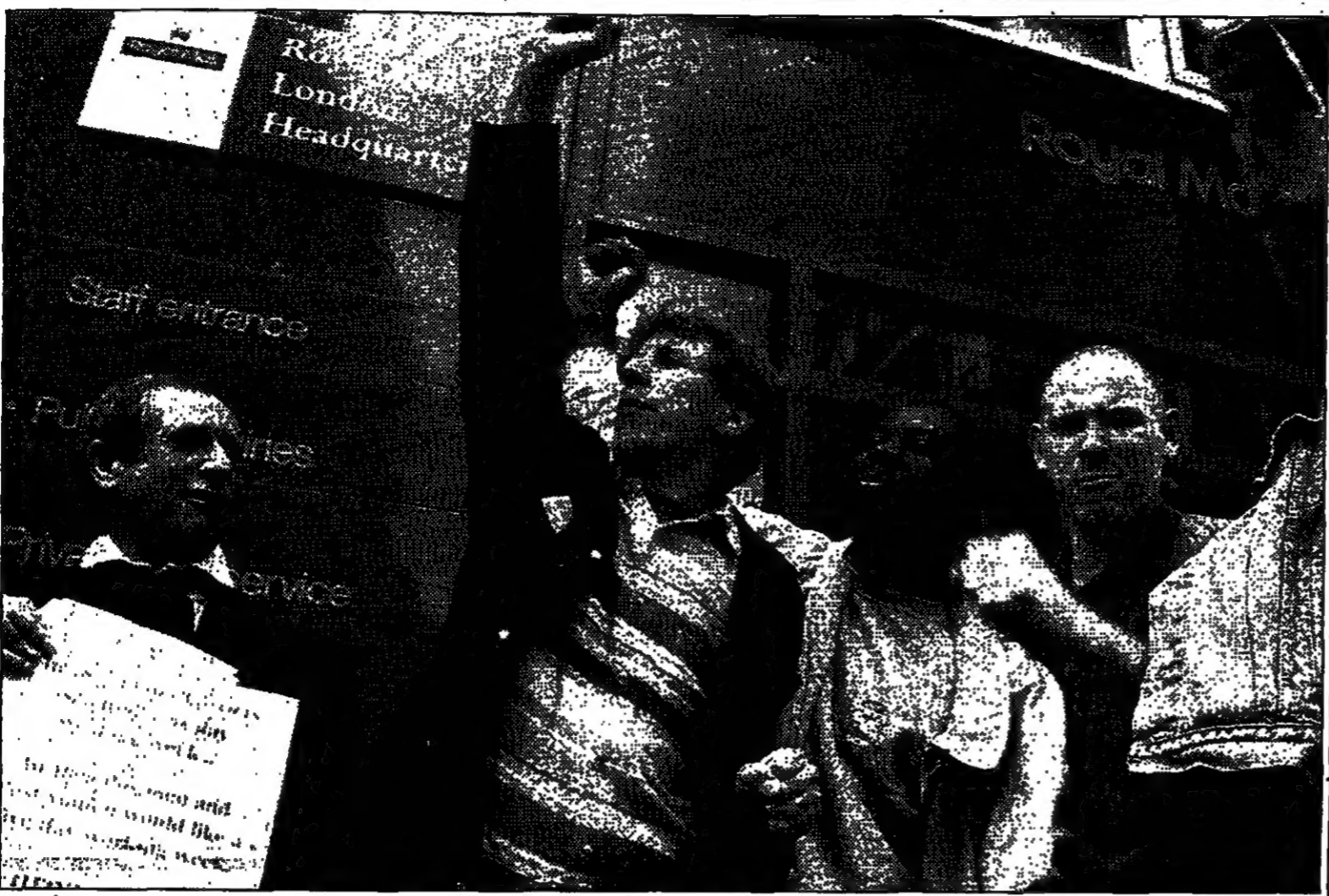
Dearer postage blamed on the Treasury

Alan Jones

THE Post Office, which is involved in a pay dispute with its sorting office and delivery workers, yesterday reported profits of £422 million for the past year, down by £50 million on the previous 12 months.

Sir Michael Heron, the PO chairman, said the "unprecedented" cash demands from the Government, which amount to £1 million for every working day, were to blame for next week's 1p rise in postage rates.

The figures for 1996/97 showed the Post Office was continuing to boost customer service as well as raising efficiency, Sir Michael said. Treasury cash demands for £925 million over the next three years were "particularly exacting" and were not far short of the total amount the Post Office had paid the Government over the past 10 years.



Between the lines... Post Office will take part in talks this weekend to try to end dispute that has caused two one-day strikes

the Royal Mail was competing against new forms of communication in an increasingly global market place.

Productivity had increased by a third over the past 10 years, while prices had fallen in real terms and would still be 9 per cent

lower after next week's increase. "It is absolutely vital, however, that Royal Mail drives even harder to improve its competitiveness if it is to continue its success in the future," Mr Roberts said.

Letter deliveries reached record figures in 1996/97, as did TV licence sales.

Post Office Counters made pre-tax profits of £35 million and over the year became the leading retailer for National Lottery and Littlewoods Lotteries scratch cards.

Rate fears rattle US traders

Jobs growth panics Wall St but City keeps its cool, report Mark Tran in New York and Sarah Ryle

WALL Street reacted dramatically to the unexpected drop in US unemployment last night as it became almost certain that the American authorities will increase interest rates to combat inflationary pressure.

The lowest level in six years, as 239,000 jobs were created in June.

President Bill Clinton seized on the news to trumpet his role in creating "the most solid American economy in a generation".

Others thought the Fed might act even sooner. "If they move now they can raise rates by 25 basis points to 5.5 per cent, but they wait until the next meeting they will have to move 50 basis points," said Mr Thomson.

The US central bank discussed monetary policy earlier in the week but decided to keep short term rates steady at 5.25 per cent, where they have been since January.

Fed chairman Alan Greenspan is expected to lay the groundwork for higher rates in his six-monthly report to Congress on July 18, and some observers said if an early rate rise was coming it would be before then.

Wall Street had expected the economy to create about 180,000 jobs in June and the unemployment rate to stay at 5.6 per cent.

Analysts said the average hourly earnings increase of nine cents to \$11.82 was an indication that the jobless rate was at or below its natural rate and suggested rising inflationary pressure.

300 jobs go as Rover ends late shift

Chris Barrie Business Correspondent

MOTOR industry optimism that car sales will top 2 million for the first time in six years was dampened yesterday when Rover announced it was cutting production at its Oxford plant at the cost of 300 jobs.

As the Society of Motor Manufacturers and Traders (SMMT) forecast a return to healthier profit margins on the back of rising sales to private buyers, Rover revealed that lower demand for its 800 and 600 series meant for the end of the evening shift at its Cowley factory.

Some 300 voluntary redundancies will be sought. The company has already redeployed some people from Cowley to the Swindon pressings plant. Rover said the move was in line with its policy of allowing UK sales to fall, while

stepping up exports abroad in an attempt to boost profit margins.

Jobs growth panics Wall St but City keeps its cool, report Mark Tran in New York and Sarah Ryle

Utilities lobby 'will not make Labour drop windfall tax'

Colla Weston Industrial Correspondent

LOBBYING by the privatised utilities will not prevent Labour from levying a windfall tax on their profits, Gordon Brown, Labour's finance spokesman, said yesterday.

He called on Chancellor Kenneth Clarke to publish a Treasury study, completed late last year, which reportedly examined the feasibility of a windfall levy.

Mr Brown said: "The details are already under scrutiny in the Treasury. And I would remind Mr Clarke that Marcus Fox, chairman of the Tory backbench 1922 Committee, has said he supports the idea."

While visiting Birmingham to address the Training and Enterprise Councils' national conference, Mr Brown said: "Some of the private utilities are engaged in a very expensive and underhand propaganda campaign which looks as if it is being jointly organised with the Conservative Party. No expensive lobbying by the utilities will deter us from a decision which has already been made."

Shuttle's record

Debt-ridden Eurotunnel has best day, writes KEITH HARPER

THE Channel Tunnel broke new records last month by carrying 183,792 vehicles on Le Shuttle, the rail connection between Folkestone and Calais. It also achieved its highest daily total.

This was reached last Saturday when 4,334 vehicles, including 350 coaches, used Le Shuttle.

Pearl of a deal with £350m bonus bound for customers

Teresa Hunter

INSURANCE group Pearl is to pay its with-profits policyholders a special bonus of £350 million, after a funds review showed a surplus of nearly £2 billion.

Pearl's parent company, the Australian Mutual Provident Society, gets nearly £1 billion from the surplus distribution — although the company says this sum had already been earmarked as shareholder funds.

But £2 billion of "orphan assets" — where the ownership is in dispute — remain in the company, and Pearl indicated there was little prospect of these being shared with policyholders in the near future.



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### Cows on the Grand Canal as farmers express their beef in Venice

LIVESTOCK breeders sallied cows along Venice's Grand Canal this week to press demands for aid after slumping sales blamed on the BSE crisis. Police stopped the nearly 15,000 protesters from leading the animals into Saint Mark's Square. The demonstrators waved flags and rang cow bells alongside the hay-lined barges. Later, breeders blocked the causeway connecting Venice to the mainland.

Protests have been mounting for government assistance to help offset losses after British researchers linked the cattle ailment to a fatal human variant, Creutzfeldt-Jakob disease. Beef consumption in Italy has dropped, dragging down the wholesale price for cattle.

PHOTOGRAPH BY LUIGI COSTANTINI



Government forced ever closer to bailing out the once-illustrious bank which no domestic buyer wants

## France in Crédit squeeze

Alex Duval Smith in Paris

THE French government is under pressure to agree to a third restructuring plan for Crédit Lyonnais — the state-owned bank which has lost more than Fr20 billion (€2.5 billion) in four years and for which no buyer seems forthcoming.

Observers believe the government, while officially insisting that the bank must make its own decisions, will be obliged to inject more cash by the end of the summer.

Last week the finance ministry repeated that the bank must step up rationalisation moves — already including 3,500 job cuts since March 1994

with a further 5,000 promised by 1998 — if it wants government support. "The savings do not show much from the outside and it (the bank's management) must show that it is willing to go further," the ministry said.

Despite gaining sympathy and unexpected breathing space when its head office in the Boulevard des Italiens burned down in May, the bank needs to find a way out of recording an estimated loss of up to Fr2 billion this year.

The bank's president, Jean Peyrelevade, argues that he is doing all he can and that a continued decline will have a disastrous effect on the image of French banking.

The government, calling for further rationalisation, despite a 22 per cent unemployment rate, has already lost

Fr45 billion — more than the 1992 social security budget, cuts to which prompted strikes last December.

The government also faces pressure from other French banks, which argue that a third restructuring plan would run counter to European competition directives. Société Générale has already protested in the European Court of Justice against the second plan, published in March last year.

The bank's troubles date from the 1980s, when it developed an appetite for property and acquired several foreign banks at inflated prices. It found itself in court, attempting to reverse miscalculations which included bankrolling the MGM chief, Giancarlo Piretti, and the businessman Bernard Tapie.

Despite losses which rose from Fr1.3 billion in 1992 to Fr12.1 billion in 1994, the bank managed to retain the loyalty of its 4.5 million customers. It had an illustrious history. In 1914 it was the world's biggest bank, and until the 1960s it was the leader in France.

Now the burnt shell of the bank's headquarters — once one of the most splendid office buildings in Paris — seems a fitting monument.

According to Bruno Alesca and Corinne Lhalicq, who investigated the bank for L'Express news magazine, both restructuring plans — the first in March 1994 and the second a year later — were grossly miscalculated.

The first, under which the bank sold off its 43 billion franc property assets, was insufficient. Under the second,

more draconian, the government created a holding company, the Consortium de Réalisation (Cdr). The Cdr took over Fr135 billion of Crédit Lyonnais's assets, including MGM, and was told to sell them by 1998.

But the creative accountancy which brought the Cdr into being — a cheap loan from the bank to the holding company so that it might "buy" the assets before selling them on — backfired. Obligated to maintain the assets while the Cdr seeks buyers, Crédit Lyonnais has already spent Fr9 billion on them.

Mr Alesca believes that even if the market for assets held by the Cdr were to soar — an unlikely scenario — the French state would be obliged to pay. "The only way out would be to sell the bank to a

foreign investor. This would be a difficult move, given the bank's history. Yet not one French bank is interested," he said.

Analysts believe the French government has only two choices. The least painful would be to subsidise Crédit Lyonnais for maintaining the Cdr assets until they are sold. But that would not guarantee the bank's long-term health.

The second, which would almost certainly prompt Mr Peyrelevade's resignation, would involve paring the bank down and privatising it. But this option — leading to mass redundancies among the 35,000 staff and the closure of foreign branches — has already been considered. In August last year it cost Alain Madelin, the finance minister, his job.

## Greece takes marketing on to virgin oil

Ancient home of the olive hopes that sales drive in northern territories such as Britain will bear fruit. HELENA SMITH reports from Athens

WHEN is an olive not a real olive? When is olive oil truly virgin and Greek? These are the questions Greece's olive oil industry has been forced to ask itself as it struggles to overcome its biggest identity crisis.

Greece is blessed with 120 million olive trees and its people remain the biggest consumers of olive oil world-wide, accounting for 20 litres each per year.

But, as the country's depleted foreign exchange reserves testify, Greece is having more than a spot of trouble selling its ancient commodity abroad, even though its long summers ensure it produces more premium-quality oil than any other nation.

To add insult to injury, experts meeting in closed session to debate the future of the olive have been told that the Italians and Spaniards are making a killing by marketing Greek extra virgin oils.

In the 20 years since Greek distributors began exporting the liquid gold, about 80 per cent of it is said to have ended up — in blended form — being marketed under the labels of Italian or Spanish companies. By contrast, only 15 per cent of *partheno elaioladho* (extra virgin olive oil) arrives on international supermarket shelves packaged and labelled as Greek.

Now Athens has decided to take action. In its drive to win foreign markets, it has turned to cold climates, especially Britain, where demand for premium-quality oils has increased by 300 per cent since 1988. Hopes abound that a group of leading British food experts, who were in Greece for the behind-closed-doors debate, will help champion the Greek olive and improve its image.

"Britain is typical of the lack of success Greek-packaged olive oils have had abroad because of the insufficient attention that has been given to packaging and presentation," says Michael Callaghan at the British Hellenic Chamber of Commerce. "Despite demand, Greek exports to Britain have languished at around 6 per cent for the past four years. Because of growing British interest in Greek cuisine, Greece now has an ideal market there over the next 12 months."

International neglect of the Greek olive's products stems almost entirely from the fact that local growers and distributors did not bottle and can olive oil until the 1960s — unlike the Italians, who began to market bottled oil 70 years ago. With most Greeks obtaining the national staple from almost entirely from the fact that local growers and distributors did not bottle and can olive oil until the 1960s — unlike the Italians, who began to market bottled oil 70 years ago. With most Greeks obtaining the national staple from almost entirely from the fact that local growers and distributors did not bottle and can olive oil until the 1960s — unlike the Italians, who began to market bottled oil 70 years ago.

working in the field now try to make up for lost time, the industry has vowed to take advantage of new European Union legislation which seeks to encourage environmentally friendly packaging.

The Greek industry is working on new packaging and labelling that will conform with regulations and highlight olive oil's "green" qualities. Last year, a Hellenic Olive Oil Promotion Committee also began developing appellation rules for indicating an oil's origin.

"Our problem is one of marketing and we are trying to improve it in every way," says Dimitris Geracopoulos at the EU-funded Mediterranean Agronomic Institute in Crete. "We are now in our third year of developing organic olive oil in order to make our product that much different."

### Eurotunnel shareholders: they've got the power

Letter

FIRST, I want to thank English shareholders for supporting our efforts at the Eurotunnel meeting. We received a great deal of support from investors in the UK, who sent us over 300 proxies.

On June 27, I had more than 18,500 proxies for over 80 million shares. Our objective was achieved: we represented over one-third of the voting rights at the meeting.

Although the June 27 annual general meeting was not one at which shareholders would be asked to vote for the restructuring plan, we believed that it was of extreme importance in the negotiations with banks and the British and French governments.

Until the meeting, Eurotunnel shareholders had rarely expressed any concern at such meetings via their votes.

We felt it was time to change that practice and that without massive shareholder support, management was never going to be in a favourable bargaining position.

By representing so many shareholders we sent a strong signal to the banks and to Eurotunnel's management that shareholders were acting as owners of the company.

In accumulating the proxies, we had significant voting power.

The banks can now see that shareholders could oppose a restructuring plan if the terms are not acceptable.

Consequently management has more leverage to negotiate, and the board is more accountable to shareholders.

Sophie L. Hélias, Franklin Global Investor Services, 1, rue du Faubourg Saint Honoré, 75008 Paris.

### Attempt to make capital of Mantua irks merchants

John Glover in Milan

IN RENAISSANCE times, Mantua was the capital of the Gonzaga family's Duchy of Mantua. These days the sleepy city, an agricultural centre located in the lush floodplains of the mighty River Po, is a capital once again — of the Lega Nord's yet-to-be-formed nation of Padania.

But some local business people complain that the city's new role as the seat of government for what the Lega controversially hopes will one day be an independent country, is damaging their businesses.

This is unfair, they say. After all, it was the Lega that chose Mantua as the seat of government for what the Lega controversially hopes will one day be an independent country, is damaging their businesses.

"The mass media repeat that Mantua is the capital of the north; our consumers in the centre-south are alienated because we are from Mantua," wrote Leoni SpA, a Mantuan salami-maker, in a letter to the local authorities.

"Things don't change," the letter continued, "then the company will have to move elsewhere."

Leoni may not be the only Mantuan company facing a rebellion among customers further south. At least three others have been reported as having problems, although no names have been mentioned and several sources say things have been blown up out of all proportion.

"It's not a serious situation, there hasn't been any quantifiable damage and no

### State railway chief held by judge investigating Elf link to textile group

FRENCH judge yesterday ordered the head of the state railway to be held over fraud allegations relating to his management of the petroleum group Elf-Aquitaine in the early 1990s. *Reuters reports from Paris.*

SNCF chairman Lefl Le Floch-Prigent, 52, was held pending an investigation of suspected abuse of corporate funds, receiving the proceeds of fraud and issuing false information and accounts to help a textile businessman, who was fined Fr9 billion on them.

The judge is investigating how Elf-Aquitaine came to invest Fr787 million (€90 million) via offshore accounts in Bidermann's ailing ready-to-wear group from 1989 to 1993.

The decision to detain Mr Le Floch-Prigent, which followed a 12-hour hearing, was a serious blow to SNCF. Two weeks ago, Mr Le Floch-Prigent — who was appointed as a respected conciliator after a 24-day strike last year — produced a rescue plan for the loss-making railway, which appeared to have the support of its 180,000 staff.

Mr Le Floch-Prigent's lawyer, Olivier Metzner, said his client had not even been questioned about the alleged offences. "Here is a man who is in prison without having been able to explain what he did or did not do in this case," he said.

Meanwhile, SNCF said measures had been taken to ensure the railway company continued to function normally.

### State railway chief held by judge investigating Elf link to textile group

FRENCH judge yesterday ordered the head of the state railway to be held over fraud allegations relating to his management of the petroleum group Elf-Aquitaine in the early 1990s. *Reuters reports from Paris.*

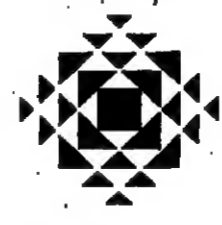
SNCF chairman Lefl Le Floch-Prigent, 52, was held pending an investigation of suspected abuse of corporate funds, receiving the proceeds of fraud and issuing false information and accounts to help a textile businessman, who was fined Fr9 billion on them.

The judge is investigating how Elf-Aquitaine came to invest Fr787 million (€90 million) via offshore accounts in Bidermann's ailing ready-to-wear group from 1989 to 1993.

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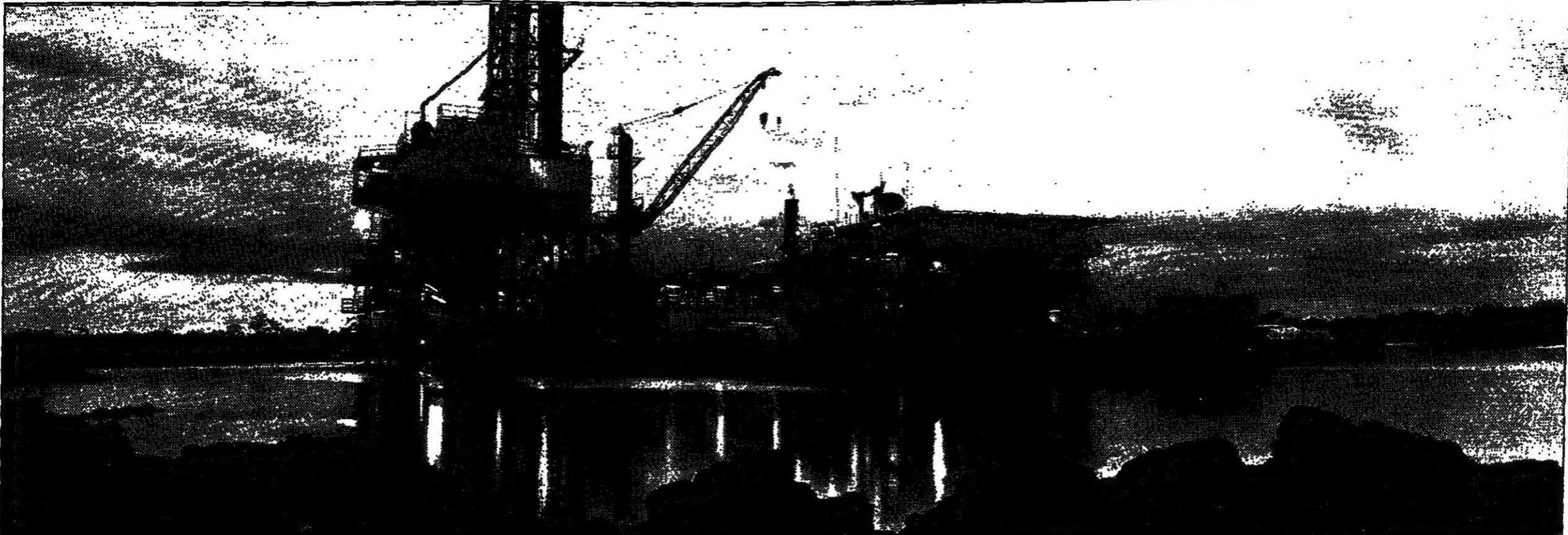


*Kipper Williams*

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# Finance Guardian

To an audience of village elders, a barrister berates Shell. PATRICK DONOVAN says this suits Nigeria's military rulers



Mangroves and machines... Whatever the reasons for the drop in living standards, money is not coming back from Lagos to help support tribal communities in the Niger delta. That is being left to Shell

PHOTOGRAPH: SHELL PHOTO SERVICE

## Oil inflames delta of discontent

**G**IVE him a wig and black silk gown, and Napoleon Agbedetse could have walked back into the south London courtrooms where he used to practise as an Imam Temple barrister. He is on the bank of the Abadino river, deep inside the mosquito-infested mangrove swamps of the Niger delta. Despite the shirt-soaking humidity, Mr Agbedetse is immaculately dressed in a heavy black polyester suit. Standing on the jetty amid a welter of gawping young boys, he cuts a hugely incongruous figure as he courteously greets representatives of the Shell oil company and prepares, yet again, to do verbal battle on behalf of the miserably poor Omadino people. This is only one of the hundreds of remote rural communities in Nigeria who feel they are being cheated out of their birthright by foreign oil companies.

But within the subsistence-level fishing communities like the Omadinos near the oil town of Warri, anger is steadily growing. Last week, 60 protesters forced Shell to shut down its drilling rig in nearby Jones Creek — the latest of a string of incidents throughout the Niger basin, where local communities' dissatisfaction has

related pollution depends on which of the lobby groups you listen to. All of which raises the question of to what extent any international company operating in a deprived Third World country should be held responsible for functions which are, or should be, the preserve of the national government. In the case of Nigeria, the debate

career for himself as a British-based barrister. Mr Agbedetse says that he was driven by his conscience to return to help his native Itsekiri tribe.

Waiting until the Shell contingent has sat down in the corrugated tin-roofed meeting hall, Mr Agbedetse drops to his knees before Chief Sunday and the other tribal elders, some wearing bowler hats and all seated at differing heights to reflect their varying degrees of seniority.

Waiting until his guests have been served Star beer or cola, he lulls them into a false sense of security, praising Shell for its "sheer hard work" which has "opened up the unknown hidden wealth of our country". And then he turns the knife. Listened to attentively by dozens of stoney-faced villagers, Mr Agbedetse accuses Shell of "dictatorship".

"On paper, they dialogue with the community on what developments are needed, but in reality Shell operatives dictate what they want. Irrespective of the needs of the people," he says. Not only do communities like the Omadino get little back from local oil exploration, but also Shell, he asserts, is decimating the region's staple occupation of fishing through oil spills. He adds: "The plight of those of us in the rural operation areas is one of depression, neglect and poverty."

As they sit in their green overalls, several Shell officials have clearly heard this all before. General manager Mr Olererearsaw gets to his feet, pointing out that the company has given the community a block of classrooms and public

### Orphanage on knife-edge

**I**T WOULD have appalled any mother. But Jo Wood's encounter with 23 babies who had been left to die in their own excrement in the Nigerian town of Warri has transformed her life. After 18 months of strange phone calls, veiled threats from officialdom and even being confronted by workmen waving machetes, 35-year-old Ms Wood now runs the region's Heart of Warri orphanage.

Such has been the hassle from the authorities that she has at times considered giving up. "But then I remember the horror of the babies, how they were malnourished, with boils all over their heads. I have never seen children in such a state."

Ms Wood says part of her motivation to run the project is that she was an abandoned child herself. Building up the orphanage, which employs two nurses and a matron, has involved learning how to navigate Nigerian bureaucracy. Before she started the orphanage, she says, there was virtually no communication between local police and welfare officials. Now officers regularly bring in babies which are abandoned.

But Ms Wood still faces the huge pressure of funding. And the financial crisis, she says, has become even more difficult because of the huge international controversy surrounding the hanging of Ken Saro-Wiwa, which has made Nigeria a pariah state in the eyes of many corporate donors and charities based in the West. The most vulnerable sections of society in Nigeria, she says, are in a bottomless financial hole.

Back in Nigeria's capital city, Lagos, the company's

state-owned Nigeria National Petroleum Corporation has a majority holding. The group, which includes Elf of France and Italy's AGIP, pumps more than half of Nigeria's output of 3 million barrels a day, giving the country oil revenue worth \$7 billion, of which the government keeps 75 per cent.

At least 8 per cent of this revenue should flow back to the people of the oil-producing areas, according to the terms of a government decree. This is to increase to 13 per cent, although the higher figure has yet to be ratified.

In practice, it appears that government aid has all but broken down, and Shell says that the administration is in arrears with its payments and failing to stump up enough money to meet targets for the joint-venture consortium.

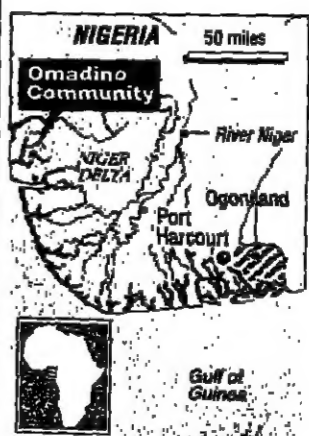
That puts even more pressure on the funds Shell and its other partners have for community projects. The problem is that for many of the rural inhabitants of the Niger Delta, Shell has effectively become the govern-

ment. It may protest that it does not aspire to become a 21st-century version of the East India Company, and yet the more it seeks to pacify local people by taking over the role of building hospitals and providing schools, the more it replaces Nigeria's military dictatorship as a target for civil dissent.

And yet Shell has been extracting oil here for 50 years. It may play the role of the community-minded Western oil company. But why is it only now making such a fanfare about its perfectly laudable programmes to replant the

mangrove swamps and bury its pipelines if not to improve its public image?

Of course attitudes change, but Shell cannot ignore the fact that it has drained billions of dollars of profits out of Nigeria during the last five decades. Its payback to the community has hardly been consistent over that period. And as with all oil explorers,



it has inevitably contributed to the pollution of the environment although there is no obvious sign of any significant spillage within its operating areas in the delta.

But Shell is now having to pay in full. It has played such a pivotal role in Nigeria's economy that it must bear some responsibility when the going gets rough. But the company's predicament may be useful, too, for the President's controversy diverts attention from the country's fundamental problem — the corruption and inefficiency in its own military government.



Ken Saro-Wiwa... Shell was accused of doing too little

bolled over into direct action against Shell activities. Six million people live in this 70,000-square kilometre province. These are rural communities, eking out their living from the mud-brown coloured tributaries of the Niger and its fast-running tributaries snaking out across a massive expanse of rain forest and mangrove swamp.

But their living standards have plummeted: wildlife is scarce, now, and fish yields are down. How much this is due to the pressures of population growth, lack of land management or oil industry-

is clouded still further by the failure of the national government to redistribute hefty oil revenues to the producing areas, and by the myriad local tribal tensions which make it almost impossible to get an accurate assessment of the needs of local people.

Yet the debate which took place earlier this week between Mr Agbedetse and Shell's local general manager, Steve Olererearsaw, in front of an audience of villagers down the Abadino river does, in simplified form, highlight the underlying conflict. Although he had cut out a

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## The price of medicine

# 20p

Archie Norman

*Jan King last week argued for keeping resale price maintenance. The chief executive of Asda says he is wrong.*

**W**E HAVE calculated how much extra the public are paying for healthcare as a result of outdated resale price maintenance legislation. It is nearly £300 million a year. Some families are being overcharged by over £100 per year.

Since we cut our prices and delisted Anadin Paracetamol there has been all sorts of establishment indignation. The manufacturers have claimed they need the money for research — into cod liver oil! The pharmacists' lobby group have claimed they will go out of business if they have to compete. And politicians are lying low: this is not a nettle grasping year!

We believe customers should be able to rely on fair prices and widespread discounts. The Government creates the income base for small pharmacies. Approximately three-quarters of their income comes from prescription margins. The wrong way to subsidise business is through a licence to fix prices and limit competition. The right way is to pay the necessary margins for pharmacists to make a decent living out of providing the valuable prescription and advisory service they are best at.

The £300 million excess profit that RPM generates each year does little to help independent pharmacies. On many brand name pharmaceuticals, 50-60 per cent of the retail price represents the profit margins of the manufacturers and wholesalers. Most of the rest of the excess profit flows into the coffers of the major chains and supermarkets which dominate the market. Of every excess pound charged at the tills, only around 10p ends up with independent pharmacists. A less efficient subsidy is hard to imagine.

The establishment argument is that small pharmacists depend on price fixing for their livelihood. Yet only about 20 per cent of price maintenance over-

counter products are sold through independent pharmacists. The big multiple chains and supermarkets are the real beneficiaries.

Despite all the sanctimonious argument, nobody can refute the fact that customers pay less at Asda than they do at the local pharmacy. In reality RPM does not simply equalise prices. It equalises them upwards, at a level which hits hardest the people who need these products most — families with young children, older people and the less well-off. A leading brand of Vitamin C tablets has an enforced retail price of £2.59 for 30. Asda's own brand sells at 59p and makes a fair profit at that price. The extra £2 profit is a symptom of lack of competition.

We need more pharmacies not less: at the moment we are not allowed to open pharmacies in many of our stores because licensing legislation prevents new competition.

If we want small neighbourhood pharmacies, government action is needed — such as paying NHS prescription bills promptly. Prescription margins have been cut, and are the same for multiples as for the village pharmacy. Surely the more remote pharmacies which meet a social need deserve a better margin.

### Quick Crossword No. 8171

**Solution No. 8170**

**Across**

- 1 It holds cherry in drink (8,5)
- 8 Method of operation (7)
- 9 Passageway (5)
- 10 Alike — related by birth (4)
- 11 (of love) purely spiritual (8)
- 12 District (6)
- 14 Delight (6)
- 17 Horse-drawn carriage (8)
- 19 Mark left by wound (4)
- 21 Two times (5)
- 22 Onit (7)
- 24 Lake in NW England (8,5)

**Down**

- 1 Top — item of headgear (3)
- 2 Preparing hot food (7)
- 3 Long, difficult journey (4)
- 4 Afront (5)
- 5 Clint, say (anag) (8)
- 6 Norwegian dramatist (5)
- 7 Don't block this entrance! (4,5)
- 10 Gymnastic (8)
- 12 Legislative body (8)
- 15 Report (7)
- 16 Summer house (6)
- 18 Edible bulb (5)
- 20 Unpowered barge (4)

23 Stray (3)

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